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ROC's Role and Efforts in Regional Maritime Security Cooperation

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Abstract

International maritime cooperation and competition have become the main theme of international politics in the 21st century; the center stage stretches from the Western Pacific to the Indian Ocean. As the issues of the East and South China Seas continue to heat up, cooperative development through peace initiatives has become even more important. Accordingly, the ROC's geo-political and strategic value is ascending. The task of the Republic of China lies in encouraging PRC to become a constructive member of the international community. President Ma's East China Sea Peace Initiative has great potential in making contribution to regional peace and stability.

The "three lines of defense" and the "three legs of national security"—the national security strategy of the Republic of China—support the strategic values of ROC and are in line with America's renewed Asian strategy. President Ma's Peace Initiative and principle of managing disputes help build a foundation for negotiations for all claimants, deescalate regional tensions, fulfill the goal of peaceful resolution, and facilitate a multilateral international regime. They could be the best approaches to breaking the shackles of rivalry nationalisms and extricating claimants out of the so-called "security dilemma." Actually, they have provided the missing link to overcome the barrier of sovereignty and contribute to regional peace and stability. It is sincerely hoped that resources sharing and joint development in the East China Sea will make Northeast Asia a model of international conflict management.

In the future, the Republic of China will continue to commit itself to the institutionalization of cross-Strait reconciliation by facilitating virtuous cycle in the bilateral relations, to the enhancement of its contribution to the international community by joining regional maritime non-traditional security cooperation and proposing cooperation in marine affairs, and to the alignment of its defense with diplomacy by consolidating its military strength to deter maritime traditional security threats.

Key words: maritime security cooperation;; strategic symbiosis; East China Sea Peace Initiative; South China Sea

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I. Introduction

The Asia-Pacific spans the Indian Ocean and the Pacific Ocean and includes many of the key engines of the global economy; therefore, "the future of geopolitics will be decided in Asia. ... The Asia-Pacific has become a key driver of global politics."¹ The economic growth rates of Asia as a whole have been among the highest in the world. To fuel their economic growth, regional countries depend more than ever on seaborne trade, which in essence refers to free flow of trade and freedom of navigation. The issues regarding sea lines of communication (SLOCs) between the Indian Ocean and western Pacific have become the focus of geopolitics.

Regional trends such as shared growing demand for energy, increasingly bustling shipping routes, and an emerging co-prosperity sphere depict a prospect of interconnectedness and interdependence. However, some negative trends are lurking in the region. Intensifying competing claims to maritime sovereignty and resources, struggle for chokepoints, and struggle for control of SLOCs, in the East and South China Seas, for example, could lead to clashes or even wars and bring imminent and critical danger to the survival and development of all countries involved; and increasing maritime non-traditional security threats could cause heavy impact upon the long-term sustainable development of regional economies. It is in the interests of all regional countries to safeguard seaborne trade jointly. Yet, competing claims have pushed these countries into a "security dilemma."² That is, most of the regional countries are partners and rivals to one another at the same time, trapped in an uncomfortable embrace. Especially, as the US revamps its Asian strategy in response to the rise of a seafaring PRC, the landscape of the international relations in the region is undergoing dramatic transformation. This paper aims to study the role and efforts of the Republic of China in advancing maritime security cooperation in the changing strategic environment as a result of America's pivoting toward the Asia-Pacific. Specific research goals include:

1. Explore the theory and practice of maritime security cooperation in the Asia-Pacific;
2. Explore the general strategic posture in the context of America's pivoting toward the Asia-Pacific;
3. Explore the role, core values, and functionality of Taiwan in the changing strategic environment; and,
4. Explore the concrete policies, strategies, and approaches of Taiwan in promoting maritime security cooperation.

II. Concepts of & Requirements for Maritime Security Cooperation

A. General Theoretical Concepts on Maritime Security Threats

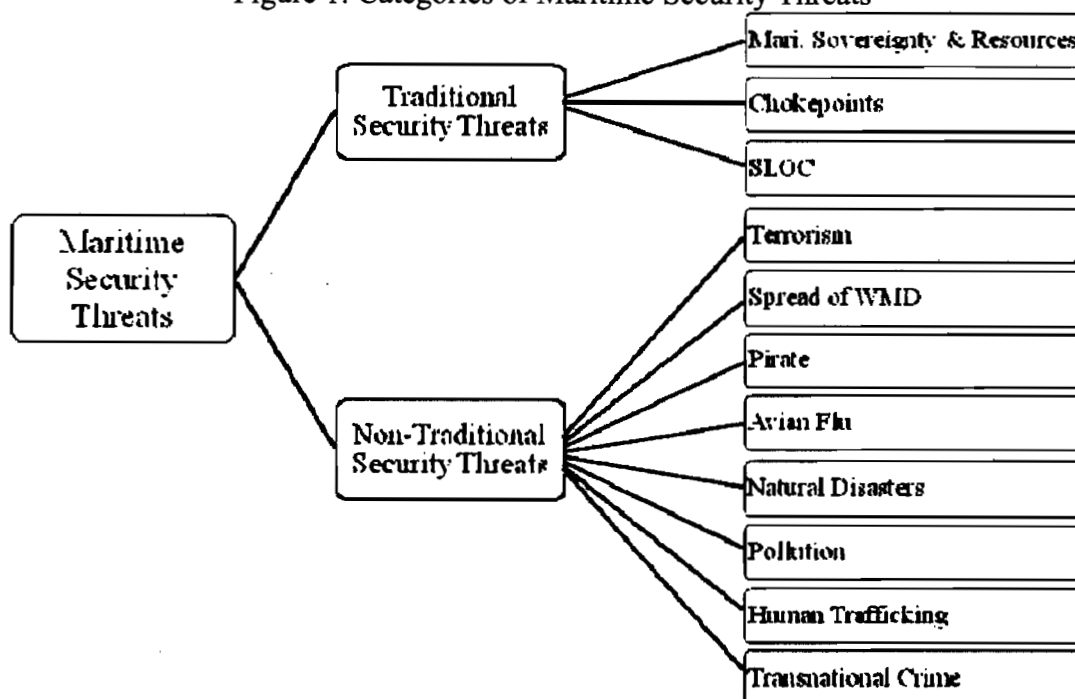
The concept of security can be divided into two categories: traditional security and non-traditional. These categories also apply to maritime security. The primary concern of traditional security is external political coercion, economic exploitation

¹ Hillary Clinton, "America's Pacific Century," *Foreign Policy*, no. 189 (November 2011), 57.

² "Security dilemma" means "a situation wherein our overly self-regarding quest for national security translates into perceptions of growing insecurity abroad, and hence, spiral-like, inadvertently to new insecurities for us." See Colin Gray, *Force, Order, and Justice: The Ethics of Realism in Statecraft*, ed. Colin Gray and Williamson Murray, Strategy and History (London: Routledge, 2006), 176.

and military invasion. Traditional security threats in the maritime domain mainly refer to competing claims to maritime sovereignty and resources, struggle for chokepoints, and struggle for control of sea lines of communication (SLOC). Here, ocean itself is the physical target of conflicts. With the rise of globalization, the maritime domain—the world's oceans, seas, and the airspace above them—supports 90% of the world's trade.³ Freedom of the seas is critical to enhancing the velocity of global commerce; it is also a prerequisite for the economic development of any country. Yet, many maritime non-traditional threats, such as terrorism, weapons of mass destruction (WMD), piracy, avian flu, natural disasters, pollution, human trafficking, and transnational crime, may disrupt seaborne trade.⁴ Here, ocean is used as a path for the spread of natural and man-made disasters. The issues concerning maritime traditional and non-traditional security threats can be integrated as the paradigm below.

Figure 1: Categories of Maritime Security Threats



Source: integrated and produced by the author

Traditional security threats may bring imminent and critical danger to the survival and development of a country; by contrast, non-traditional security threats, if not dealt with in a timely manner, may bring about serious damages to national security and development, regional economies, and even global trade order.⁵ The

³ Office of Chief of Naval Operations, "Global Maritime Partnerships ... Thousand Ship Navy," *US Navy*, <http://www.deftechforum.com//ppt/Cotton.ppt> (accessed June 14, 2007).

<http://www.deftechforum.com//ppt/Cotton.ppt>. Office of Commandant of the Marine Corps, Office of Chief of Naval Operations, and Office of Commandant of the Coast Guard, eds., *A Cooperative Strategy for 21st Century Seapower* (Washington DC: US Navy, US Marine Corps, US Coast Guard, 2007), 4.

⁴ Office of Chief of Naval Operations, "Global Maritime Partnerships ... Thousand Ship Navy." Office of Commandant of the Marine Corps, Office of Chief of Naval Operations, and Office of Commandant of the Coast Guard, eds., *A Cooperative Strategy for 21st Century Seapower*, 14.

⁵ 國防部, 中華民國九十五年國防報告書 (台北: 國防部, 2006). *2006 National Defense Report The Republic of China*, ed., ^eds., (Taipei: Ministry of National Defense, 2006), page number. Wu Shicun and Zou

major characteristics of non-traditional security threats include: firstly, it is often hard to identify the source of threat; secondly, such threats are often very elusive; thirdly, they often lack concrete targets for attack. The purpose of maritime security cooperation is to prevent or reduce, through collective efforts, the damage caused by traditional and non-traditional security threats alike. It takes the joint efforts of regional or even international community to collaborate as a network to effectively protect what Mahan called "the great common" from becoming the physical target of conflicts or being used as a path for the spread of natural and man-made disasters.

B. Regional Practical Maritime Traditional/Non- Traditional Security Threats

(I) Maritime Traditional Security Threats

Maritime Traditional security threats are typical sources of confrontation and have been playing a leading role in shaping regional political landscape. The competing claims in Asia, as shown in the table below, pose the greatest potential threats to peace and stability in the region.

Table 1: Competing Claims in Asia

Region	Disputed Claims	Claimants
Northeast Asia	Northern Territories	Japan, Russia
	Takeshima or Dokdo Islands	Japan, South Korea
East Asia	East China Sea	PRC, Japan, ROC
	Diaoyutais or Senkaku Islands	PRC, Japan, ROC
South China Sea	Natuna Islands	PRC, ROC, Indonesia
	Paracel Islands	PRC, ROC, Vietnam
	Scarborough Shoal	PRC, ROC, Philippines
	Spratly Islands	Brunei, PRC, Malaysia, Philippines, ROC, Vietnam
Southeast Asia	Camago and Malampaya gas fields	PRC, ROC, Philippines
	Gulf of Thailand	Cambodia, Malaysia, Thailand, Vietnam
	Strait of Johore	Malaysia, Singapore
	Strait of Singapore	Malaysia, Singapore
	Palau Batu Putih Island	Malaysia, Singapore
	Sipadan; Sebtik; Ligitan	Indonesia, Malaysia
	Sabah and its neighboring waters	Malaysia, Philippines

Source: integrated and produced by the author

Of all the competing claims, the most contentious issues revolves around the East China Sea and the South China Sea, where three and six claimant states are involved in sovereignty dispute respectively. Especially, the South China Sea plays an important role in commercial connection globally and regionally. It is the world's second busiest international sea lane. Some 50% of global merchant traffic passes through sea lanes in the South China Sea.⁶ Nearly two-thirds of the tonnage passing

Keyuan, "Maritime Security in the South China Sea: Cooperation and Implications," (2009), http://www.ashgate.com/pdf/SamplePages/Maritime_Security_in_the_South_China_Sea_Ch1.pdf (accessed August 1, 2012).

⁶ Office of the Secretary of Defense, ed., *Military and Security Developments Involving the People's*

through the Strait of Malacca, and half of the volume passing the Spratly Islands, is crude oil from the Persian Gulf.⁷ Northeast Asia relies heavily on the flow of oil and commerce through the South China Sea shipping lanes, including 80% of the crude oil to Japan, South Korea, and Republic of China.⁸ The Pentagon argued that increased People Liberation Army (PLA) presence in recent years could alter regional balances and disrupt the delicate status quo established by the 2002 Declaration on the Conduct of Parties in the South China Sea (DOC).⁹ The US National Bureau of Asian Research further argued that increased PLA presence has rekindled arms race and led to militarization of the South China Sea dispute.¹⁰ In particular, PRC's inclusion of anti-SLOCs as one of the six offensive and defensive campaigns of the PLAN¹¹ invites non-claimant powers to join the South China Sea arena.

These competing claims, if not properly managed, could lead to clashes or even wars, disrupting sea lines of communication, bringing imminent and critical danger to the survival and development of all countries involved, and having serious impact upon regional peace and stability.

(II) Maritime Non-Traditional Security Threats

The emergence of almost all kinds of maritime non-traditional security threats, ranging from terrorism to transnational crime as enumerated in figure 1, brings about major turbulence in the Asia-Pacific maritime environment.¹² Given the close interconnectedness and interdependence of countries in the region, any of such threats can easily produce spillover effect via the ocean. Take Pirates and natural disasters for examples.

Pirates: The Strait of Malacca, connecting the Indian Ocean with the South China Sea and the Pacific Ocean, is the shortest sea route between Persian Gulf suppliers and the Asian markets. It is the key chokepoint with an estimated 13.6 million barrel per day (bbl/d) flow in 2009. The oil flow of Strait of Malacca is well over seven times greater than that of Suez Canal, and seventeen times greater than that of Panama Canal (see table below).

Table 2: Oil Flows of the Seven Major Oil Chokepoints (2009)

	oil flow (mil. bbl/d)	global trade %
Strait of Hormuz	15.5	18.45%

Republic of China 2010 (Washington DC: Department of Defense, 2010), 38.

⁷ "South China Sea Region," ed. US Department of Energy, Country Analysis Briefs (Energy Information Administration, 2003), p. 6.

⁸ Office of the Secretary of Defense, ed., *Military and Security Developments Involving the People's Republic of China 2010*, 17.

⁹ *Ibid.*, 38.

¹⁰ Clive Schofield et al., "From Disputed Waters to Seas of Opportunity Overcoming Barriers to Maritime Cooperation in East and Southeast Asia" (Washington DC: National Bureau of Asian Research, 2011), p. 22.

¹¹ PLAN doctrine for maritime operations focuses on six offensive and defensive campaigns: blockade, anti-sea lines of communication, maritime-land attack, antiship, maritime transportation protection, and naval base defense; see Office of the Secretary of Defense, ed., *Military and Security Developments Involving the People's Republic of China 2010*, 22.

¹² Jonathan D. Pollack, "US Navy Strategy in Transition: Implications for Maritime Security Cooperation" (paper presented at the 1st Berlin Conference on Asian Security, Berlin, September 14/15 2006), 9.

Straits of Malacca	13.6	16.19%
Suez Canal	1.8	2.14%
Straits of Bab el-Mandeb	3.2	3.81%
Bosporus Straits	2.9	3.45%
Panama Canal	0.8	0.95%
Danish Straits	3.3	3.93%

Source: US Energy Information Agency¹³

The following table indicates that 25 years later, oil reserves in North America, Asia Pacific, Europe and Eurasia could be depleted. Non-OECD Asia will then depend more on imported oil from Middle East and Africa, further enhancing the oil flow through the Malacca Strait.

Table 3: Proved Reserves of Oil, 2010

Region	Proved Reserves of Oil		
	Thousand million tons	Share of Total	Reserve/Production. ratio
Middle East	101.8	54.4%	81.9
S. & C. Amer.	34.3	17.3%	93.9
Africa	17.4	9.5%	35.8
Eu. & Eurasia	19.0	10.1%	21.7
North Amer.	10.3	5.4%	14.8
Asia Pacific	6.0	3.3%	14.8
Total World	188.8	100.0%	46.2

Source: British Petroleum¹⁴

Virtually all shipping that passes through the Malacca and Sunda Straits must go through the South China Sea and pass near the Spratly Islands. The enormous value of goods (oil and non-oil alike) through the Strait of Malacca and the South China Sea has attracted pirate attacks on merchant shipping.¹⁵

Table 4: Trends of Piracy Incidents in Asia and Other Areas

Locations	2006	2007	2008	2009	2010
Indonesia	50	43	28	15	40
Malacca Strait	11	7	2	2	2
Malaysia	10	9	10	16	18
Myanmar			1	1	
Philippines	6	6	7	1	5
Singapore Strait	5	3	6	9	3

¹³ "Maritime Chokepoints Critical to Petroleum Markets," (2011), <http://www.eia.gov/oog/info/twip/Mar%202.pdf> (accessed 5 Aug 2011). Eurasia Review, "World Oil Transit Chokepoints," <http://www.eurasiareview.com/world-oil-transit-chokepoints-20012011/> (accessed Aug 8, 2011). In 2009, total world oil production amounted to approximately 84 mil. bbl/d.

¹⁴ BP, *BP Statistical Review of World Energy June 2011* (London: British Petroleum, 2011), 6, 20.

*means more than 100 years.

¹⁵ "South China Sea Region," p. 6.

Thailand	1	1		1	2
South China Sea	1	3		13	31
Vietnam	3	5	11	9	12
Bangladesh	47	15	12	17	23
India	5	11	10	12	5
Gulf of Aden	10	13	92	116	53
Red Sea				15	25
Somalia	10	31	19	80	139

Source: Piracy and Armed Robbery against Ships Annual Report¹⁶

The table above shows trends of pirate attack incidents (including the attempted attacks) that occurred in Asia and other areas in recent five years. In Southeast Asia area (including Indonesia, Malacca Strait, Malaysia, Myanmar, Philippines, Singapore Strait, Thailand), the total number of piracy incidents was 70, 25 more than 2009 (45). In South China Sea, the total number was 31, 18 more than 2009 (13). There were altogether 101 incidents in Southeast Asia and South China Seas in 2010, only second to Somalia (139). Pirates have endangered the lives of seafarers and caused economic hardship for countries dependent on seaborne trade in the world.

Natural disasters: The UN issued *2010 Asia Pacific Disaster Report* indicates that "Asia-Pacific has been the region that suffered the largest number of disasters," about 250 weather-related catastrophes per year.¹⁷ Maplecroft's *Natural Hazards Risk Atlas 2011* indicates that natural hazards have been more costly to the world economy in 2011 than any other year on record, and that the US, Japan, PRC, and ROC are categorized as "extreme risk" for absolute economic exposure to natural hazards; however, the large emerging economies of Mexico, India, Philippines, Turkey and Indonesia are classified as 'high risk' and feature in the top 10.¹⁸ According to *Annual Disaster Statistical Review 2011*, Asia, of all the continents on earth, is most vulnerable to natural calamities: 4 out of the top 5 countries most often hit are situated in Asia;¹⁹ damages in Asia increased the most in 2011 compared to the 2001-2010 annual average;²⁰ Asia was most often hit by natural disasters (44.0%), accounted in 2011 for 86.3% of worldwide reported disaster victims, and suffered the most damages in 2011 (75.4% of worldwide natural disaster damages).²¹

Natural disasters such as drought, flood, landslide, mudslide, tropical storm and cyclone, earthquake, and sandstorm often hit the frontlines around the world in these years. As long as climate change worsens, human beings will be more vulnerable to weather-related disasters. Most of the victims of climate change may live on the land; however, its consequences will surely aggravate the burden of international

¹⁶ "Piracy and Armed Robbery against Ships Annual Report 1 January - 31 December 2010," ed. ICC International Maritime Bureau (London: International Maritime Organization, 2010), pp. 5-6..

¹⁷ Sanjaya Bhatia et al., "Protecting Development Gains The Asia Pacific Disaster Report 2010," (Bangkok: Economic and Social Commission for Asia and the Pacific, United Nations International Strategy for Disaster Reduction, 2010), pp. 1-3.

¹⁸ "Natural Hazards Risk Atlas 2011 Press Release," Maplecroft, http://maplecroft.com/about/news/natural_hazards_2011.html (accessed Aug 13, 2011).

¹⁹ Debby Guha-Sapir et al., *Annual Disaster Statistical Review 2011 The Numbers and Trends* (Brussels: Center for Research on the Epidemiology of Disasters (CRED), 2012), 1. China, the US, the Philippines, India, and Indonesia are the top 5 countries that are most frequently hit by natural disasters.

²⁰ Ibid., 2.

²¹ Ibid., 29.

community in maritime security.

Pirates and natural disasters are just two kinds of the many maritime non-traditional security threats. There is likelihood that piracy may mix with transnational crime, smuggle of WMD, human trafficking, or even terrorism and as a result compound the maritime security situation. Given the characteristics of such security threats, it is very hard for a country to deal with maritime non-traditional security threats alone. Any of such security threats, if not addressed collaboratively, could cause heavy impact upon the long-term sustainable development of victim countries and bring serious impact upon regional prosperity.

III. Shaping of the Strategic Environment in the Asia-Pacific Region

A. Adjustment of the US Foreign Policy

Believing the future of geopolitics lies in Asia, US State Secretary Hillary Clinton strongly advocates in her *America's Pacific Century* the following points:

1. Greater investment—diplomatic, economic, strategic, and otherwise—in the Asia-Pacific is the core of the pivot of “America’s Pacific century” in the next decade;
2. America’s treaty alliances with Japan, South Korean, Australia, the Philippines, and Thailand are the fulcrum for US strategic turn to the region;
3. America will participate in multilateral institutions such as Association of Southeast Asian Nations (ASEAN), Asia-Pacific Economic Cooperation (APEC) forum, East Asia Summit and ASEAN Regional Forum, and utilize “minilateral” meetings and “trilateral” opportunities such as engagement with Cambodia, Laos, Thailand, Vietnam, Mongolia, Indonesia and Kazakhstan to shape regional security environment and advance US values.
4. America has been adamant in protecting its vital interests in stability and freedom of navigation in the South China Sea and will continue to ensure disputes are settled peacefully in accordance with principles of international law.²²

Clinton's recent visits to Asia have taken her to countries such as Indonesia, Burma, Mongolia, Vietnam and Laos. In particular, her tours to Burma, Vietnam, and Laos—all once hostile cold war-era enemies—reflect Washington’s efforts in fulfilling US foreign policy of pivoting toward the Asia-Pacific region.

B. Adjustment of the US Defense Policy

The 2006 *Quadrennial Defense Review (QDR)* already stipulated that the USN plans to adjust its force posture and basing to provide at least 6 CVNs and 60% of its submarines in the Pacific to support engagement, presence and deterrence,²³ clearly indicating a trend in re-orienting the center of gravity of its global military deployment toward the Asia-Pacific.

²² Clinton, “America's Pacific Century.”

²³ Office of Secretary of Defense, ed., *Quadrennial Defense Review Report 2006* (Washington DC: Department of Defense, 2006), 47, 48.

After State Secretary Clinton's assertion of US interests in the South China Sea, Pentagon Press Secretary Geoff Morrell said in January 2011 that the Pentagon was to consolidate its forward presence "along the Pacific Rim, particularly in Southeast Asia."²⁴ US President Obama asserted in his remarks to the Australian Parliament in mid-November 2011 that "the United States has been, and always will be, a Pacific nation. ... The United States is a Pacific power, and we are here to stay."²⁵ He then enumerated many countries such as Japan, Australia, South Korea, the Philippines, India, Cambodia, Burma and Vietnam as partners to work with at present and in the future.

On January 5, 2012, accompanied by US Defense Secretary Leon E. Panetta and Chairman of Joint Chief of Staff General Martin E. Dempsey, US President Obama announced the new US *Defense Strategic Guidance*, stressing to "rebalance toward the Asia-Pacific region" and invest as required to ensure its ability to counter PRC's A2/AD capabilities.²⁶ Accordingly, the US consolidates its treaty alliances with Japan, South Korean, Australia, the Philippines, and Thailand and realigns these alliances toward the Asia-Pacific region.

C. General Strategic Posture in the Asia-Pacific Region

As tension rises in the South China Sea, the US Navy launches the "Pacific Partnership 2012" to visit Indonesia, Philippines, Vietnam and Cambodia to provide medical, dental and other services to the people. Altogether, 16 countries participated in the largest ever annual humanitarian and civic assistance mission in the Asia Pacific Region, including Malaysia, Indonesia, Vietnam, and Philippines,²⁷ all of which are locked in a territorial dispute with PRC. Likewise, the "Rim Pacific 2012"—the largest ever in the RIMPAC series—attracts 22 participating countries. "Pacific Partnership 2012" and "Rim Pacific 2012" are just two of many remarkable examples of America's success in consolidating diplomatic and military partnerships with regional countries.

Bonnie Glaser argued that PRC's military buildup has made the region uneasy and led to various efforts to hedge against its rising power by supporting and facilitating the US forward presence for counterbalance; the US assertion that freedom of navigation in the South China Sea is vital to its interests have emboldened various players and raised hopes that the US might support their claims against PRC.²⁸ This argument reflects that as a result of America's enhancement of its capabilities in shaping the security environment in the South China Sea, the DOC-symbolized "ASEAN+1" mechanism has been replaced by the US-dominated neo-realistic

²⁴ DoD, "DOD News Briefing with Geoff Morrell from the Pentagon," <http://www.defense.gov/transcripts/transcript.aspx?transcriptid=4758> (accessed August 14, 2011).

²⁵ Barrack Obama, "Remarks By President Obama to the Australian Parliament," *White House*, <http://www.whitehouse.gov/the-press-office/2011/11/17/remarks-president-obama-australian-parliament> (accessed November 20, 2011).

²⁶ Secretary of Defense, ed., *Sustaining US Global Leadership: Priorities for 21st Century Defense* (Washington DC: Department of Defense, 2012), 2, 4.

²⁷ Rey Gerilla Grado, "Different Nationalities Participate in the Pacific Partnership 2012," *Leyte Samar Daily Express*, <http://leytesamardaily.net/2012/06/different-nationalities-participate-in-the-pacific-partnership-2012/> (accessed July 17, 2012).

²⁸ Bonnie Glaser, *Tensions Flare in the South China Sea*. (Center for Strategic and International Studies, 2011) pp. 5, 7-8, http://csis.org/files/publication/110629_Glaser_South_China_Sea.pdf (accessed November 23, 2011).

framework. The landscape of international relations in the South China Sea has been transformed in accordance with the US strategic intentions.

On account of the existing power gap between the US and PRC, Washington is expected to continue the current hedging strategy—a mixture of engagement and containment—toward PRC. The hedging strategy first appeared in the 2006 *National Security Strategy*, which stated that the US “seeks to encourage China to make the right strategic choices for its people, while we hedge against other possibilities.”²⁹ That is, America encourages PRC to cooperate with the global society and accept international law; at the same time the US is prepared to use military forces to deter China’s aggressive behavior.³⁰ The Obama administration seems to have inherited the strategy. In particular, as the issues of the East and South China Seas continue to heat up, the US needs hedging strategy more than ever. Amid rising tensions in the Seas, increasing joint exercises led by the US and expanding participants attest to regional support of America’s emerging grand strategy and its continuing hedging strategy.

Consequently, as regional countries seek to advance their own national security and economic interests in the US-dominated neo-realistic framework, it can be inferred that “shelving sovereignty issue for joint development” has become the best policy option for all claimants involved in the disputes of the East and South China Seas.

IV. ROC’s Role in Regional Security Framework

Both US President Obama and State Secretary Clinton enumerate many Asian countries—even including some past foes—as present and future partners. Yet, ROC seems to be neglected in the big picture of America’s emerging grand strategy of “pivoting toward Asia” or “rebalancing toward the Asia-Pacific region.”

A. The Strategic Values & Role of ROC in the Asia-Pacific

As Beijing and Taipei started in 2009 the negotiation of Economic Cooperation Framework Agreement (ECFA)—free trade agreement across the Taiwan Strait, some believed that it represented an important step toward final unification.³¹ In recent years, some American figures have argued that the US should amend the Taiwan Relations Act, cease arms sales to Taiwan, or even abandon its commitment to helping the defense of Taiwan.³² Such views of believing Taiwan is inevitably moving into

²⁹ White House, ed., *The National Security Strategy of the United States of America 2006* (Washington DC: White House, 2006), 42.

³⁰ Yungkuang (葛永光) Ko, “MeiZhong guanxi: ji hezuo you jingzheng (美中關係：既競爭又合作, US-China Relations: Simultaneous Competition and Cooperation),” *Zhanlue anquan yanxi (戰略安全研析, Strategic and Security Analyses)*, no. 24 (April 2007), 30. Richard Sokolsky, Angel Rabasa, and C. Richard Neu, *The Role of Southeast Asia in US Strategy Toward China* (Santa Monica: RAND, 2001), 71-72. Evelyn Goh, *Meeting the China Challenge: The US in Southeast Asian Regional Security Strategies* (Washington: East West Center, 2005), 1-2. Evelyn Goh, “Understanding ‘Hedging’ in Asia-Pacific Security,” *PacNet Newsletter*, no. 43 (2006), <http://csis.org/files/media/isis/pubs/pac0643.pdf> (accessed September 20, 2010).

³¹ Ariana Eunjung Cha, “Taiwan, China Negotiating a Landmark Free-Trade Agreement,” *The Washington Post*, February 21 2009, A09.

³² Bill Owens, former Vice Chief of Joint Chief of Staff, advocated to stop US arms sales to Taiwan and revise the Taiwan Relations Act, see Bill Owens, “America Must Start Treating China as a Friend,”

Beijing's orbit or deeming Taiwan an irritant in US-China relations lead to marginalization of Taiwan in the picture of the new US grand strategy.

However, the adjustment of the US grand strategy implies that US-China maritime cooperation and competition is the main theme of international politics in the 21st century, and that the center stage stretches from the Western Pacific to the Indian Ocean. Jim Steinberg, former US deputy secretary of state, argued PRC's choice of role is "the great question of our time;" the peace and prosperity of the world depends on which path it takes.³³ When it comes to PRC's choice of role, the importance of ROC comes to fore.

John King Fairbank argued in the late 1950s that contemporary Taiwan had become a military and cultural bastion of the US.³⁴ The metamorphosis of Taiwan from a Chinese cultural hinterland to a US values-oriented vanguard can be termed as strategic symbiosis. The formation of the symbiotic partnership originated from America's facilitation of ROC's democracy; nowadays, because of requirements for mutual benefits, the ROC government seeks to help America expand its geo-strategic interests. US-ROC strategic symbiosis consists of proxy balancing and influence operations. Proxy balancing means mutual defense cooperation to balance PRC. In the diplomatic front, Taipei diligently disperses the seeds of democratic values, which embodies the traditional US values of democracy, freedom and self-determination, to promote regional comprehensive security alliance and help US justify the continued domination or expansion of American influence regionally and globally. This is ROC's influence operations in peacetime. The ultimate goal of strategic symbiosis could be construed as to make China a democratic and free country, or a constructive member of the world community.³⁵ As PRC is still groping its way to regional hegemony and global superpower, the strategic value of the ROC lies in reminding PRC of how to be a responsible stakeholder, helping China accept such values as democracy, freedom, and respect for human rights, and helping PRC play a positive and peace-loving role in the international community.

The strategic value of ROC will be further aggrandized if its geostrategic significance is taken into consideration. Nat Bellocchi, former Director of American Institute in Taiwan (AIT), argued that without control of Taiwan, it will be difficult for the PLAN to become a full-fledged "blue water" navy and for PRC to exert its influence as a Pacific sea power.³⁶ Conversely, Nancy Tucker argued that abandonment of Taiwan will lead to Japan's doubt on US reliability and deal a fatal

Financial Times, November 17 2009. Charles Glaser argues if the US does not want to get involved in a nuke war with China, "the United States should consider backing away from its commitment to Taiwan;" Charles L. Glaser, "Will China's Rise Lead to War? Why Realism Does Not Mean Pessimism," *Foreign Affairs* 90, no. 2 (March/April)2011), 87. Bruce Gilley encourages Finlandization of Taiwan; Bruce Gilley, "Not So Dire Straits How the Finlandization of Taiwan Benefits US Security," *Foreign Affairs* 89, no. 1 (January/February)2010). Paul V. Kane, "To Save Our Economy, Ditch Taiwan," *New York Times*, November 10 2011, A35. Former National Security Adviser Zbigniew Brzezinski argued because "it is doubtful that Taiwan could indefinitely avoid a more formal connection with China," the US should re-examine its support for Taiwan, in particular its arms sales; see Zbigniew Brzezinski, "Balancing the East, Upgrading the West," *Foreign Affairs* 91, no. 1 (January 2012).

³³ "Brushwood and Gall," *The Economist* 397, no. 8711 (Dec 4 2010), 4-5.

³⁴ John King Fairbank, "Formosa Through China's Eyes," *The New Republic*, Vol. 139, No. 15 (1958): 10.

³⁵ Wen-lung Laurence Lin, "The Strategic Symbiosis between US Asian Policy and Taiwanese Nationalism" (University of Durham, 2006), 224-25.

³⁶ Nat Bellocchi, "Taiwan's Key Role in the South China Sea," *Taipei Times*, August 11 2010, 8.

blow to the US-Japan alliance.³⁷ The erosion of the integrity of the US-Japan alliance may lead to "re-Asianization of Japan," which means Tokyo recognizes that Japan falls in PRC's hegemonic sphere of influence and accordingly realigns its national interests with more Asia-tinctured identity, which may ultimately cause the collapse of the US-Japan alliance and bring about very severe negative impact upon America's interests in Asia. Richard Fisher, a leading US expert on the Chinese military, believed that that if PRC secures control of Taiwan, US leadership in Asia "could evaporate."³⁸ Mark Stokes, Executive Director of the Project 2049 Institute, argued that ROC has a pivotal role to play as an ad hoc coalition partner in Air-Sea Battle, Joint Operational Access Concept (JOAC), and the strategic rebalancing in the Asia-Pacific, and that "among all potential coalition partners, none is potentially as important as Taiwan."³⁹ In this sense, ROC has ascended to the pivotal position of regional peace and stability.

Apparently, US-ROC strategic symbiosis is consistent with America's "hedging strategy" toward PRC. ROC can not only exert a "beacon effect" for the democratization of China in the general goal of advancing US vales as a whole; it can also help promote regional peace and stability, especially in the East and South China Seas.

B. ROC's Peace Initiative in the Changing Strategic Environment

Despite the similarity between Taipei and Beijing in their policies regarding East and South China Seas, the former's bona fide adherence to peaceful resolution and practical approach of "reducing conflict with reconciliation and replacing confrontation with negotiation" make ROC a great asset in facilitating regional peace and stability for the following reasons.

First of all, Taipei supports the US-Japan security alliance as the cornerstone for East Asia security, and is willing to make more contributions under the bilateral and multilateral cooperation framework of the US-Japanese alliance.⁴⁰ As President Ma stressed, "only a strong US commitment, backed by its credibility in East Asia, can guarantee the peace and stability of this region."⁴¹

Secondly, Taipei serves the best model in facilitating peaceful resolution. Since the establishment of the Coast Guard Administration (CGA) in 2000, CGA's

³⁷ Nancy Bernkopf Tucker and Bonnie Glaser, "Should the United States Abandon Taiwan?," *The Washington Quarterly* 2011, no. Fall(2011), 32-33.

³⁸ Richard D. Fisher, "Taiwan in the Lurch," *Wall Street Journal*, August 19 2011.

³⁹ Mark Stokes and Russell Hsiao, "Why US Military Needs Taiwan," *The Diplomat*, <http://thediplomat.com/2012/04/13/why-u-s-military-needs-taiwan/> (accessed).

⁴⁰ "President Ma's Remarks at Ministry of Foreign Affairs: The Concept and Strategy of the "Flexible Diplomacy", " *Office of the President of the Republic of China (Taiwan)*, <http://english.president.gov.tw/Default.aspx?tabid=491&itemid=18917&rmid=2355&word1=Security+alliance> (accessed August 9, 2008). "President Chen Attends a New Year Party Hosted by the Taiwan Japanese Association and the Taipei Japanese Chamber of Commerce," *Office of the President of the Republic of China (Taiwan)*, <http://english.president.gov.tw/Default.aspx?tabid=491&itemid=16625&rmid=2355&word1=Security+alliance> (accessed January 11, 2003).

⁴¹ Ying-jeou Ma, "President Ma's Remarks at the Videoconference with the Center for Strategic and International Studies," *Office of the President, Republic of China (Taiwan)*, <http://english.president.gov.tw/Default.aspx?tabid=491&itemid=24284&rmid=2355&word1=CSIS&sd=20110501&ed=20110731> (accessed May 15, 2011).

police force have replaced the Marine Corps soldiers and taken on the job of safeguarding Taiping island—the biggest island in the South China Sea. This is the very demonstration of goodwill in preventing escalation of conflict and creating room for negotiation, which are good practices for facilitating peaceful resolution.

Thirdly, Taipei can function as the bridge between Beijing and all other claimants on the issue of the East and South China Sea. Since the disputes resumed in recent years, Beijing has proposed that PRC and ROC make joint efforts in protecting common interests in the East and South China Sea. Among all claimants, Taipei is the only party that does not vex Beijing, which benefits the creation of room for negotiation for all.

Fourthly, the last but not the least, Taipei has a lot to offer. For instance, comparatively, Taipei has advanced technology for maritime research and development project. With quality personnel and rich experience, both the CGA and the ROC Navy can make considerable contribution to humanitarian assistance and disaster relief (HA/DR) in the natural disaster-prone region. ROC's Dongsha island and Taiping island, situated at the northern entrance and southern entrance to the South China Sea respectively, are both globally renowned for their maritime bio-diversity. While other claimant's military buildup on their own occupied islets can easily spark conflicts, Taipei's fortification of the strategically vital Taiping island only serves to deter any rash move by any side, making direct contribution to regional peace and stability in the crisis-prone area.

V. ROC's Efforts in Promoting Regional Security Cooperation

A. National Security Strategies: "3 Lines of Defense" & "3 Legs of Security"

The ROC employs a balance strategy—maintaining cooperation with America, seeking rapprochement with PRC, staying friendly with Japan—to develop economic relations with China on the one hand, and to enhance military security cooperation with the US on the other hand; in this way, Taipei consolidate its values alliance with Washington and uses this alliance to support reconciliation and negotiation across the Taiwan Strait, hoping to create a win-win situation among Taipei, Beijing, and Washington.⁴² During his videoconference with the Center for Strategic and International Studies in May 2011, President Ma asserted to commit himself to the building of "three lines of defense" for the ROC's national security, including:

1. Institutionalizing the Cross-Strait Rapprochement:
The Ma administration champions a "three-no" policy of "no unification, no independence, and no use of force" (不統、不獨、不武) under the ROC Constitution so as to create a "virtuous cycle" for Cross-Strait relations.
2. Enhancing Taiwan's Contributions to International Development:
The Ma administration believes that Taiwan's national security is inseparably tied to the role of a "responsible stakeholder" and has adopted a foreign aid policy in line with international standards and norms in the past years; accordingly, humanitarian work has especially become an important platform for Taiwan's contributions to the international community.

⁴² 曾復生, "應對亞太變局 美國有對策了嗎?," *國政分析*, no. 國安(析) 100-077 號 (2011), <http://www.npf.org.tw/post/39884> (accessed December 17, 2011).

3. Aligning ROC's Defense with Diplomacy:

ROC will continue to enhance its self-defense capability resolutely and will continue to build up its credibility and trust with its closest allies so as to live up to its commitment to being a responsible stakeholder.⁴³

In 2012, in his inaugural address, President Ma further asserted that ROC's security rests on three legs. The first is the use of cross-strait rapprochement to realize peace in the Taiwan Strait. The second is the use of viable diplomacy to establish more breathing space for Taiwan in the international community. And the third is the use of military strength to deter external threats.⁴⁴

The policy positions of "three lines of defense" and "three legs of national security" are consistent with the core values and the role of ROC in the big picture of regional security; therefore, Taipei's policies are instrumental in advancing cross-strait interaction and in winning international support, and are in line with America's pivoting toward the Asia-Pacific region. Accordingly, ROC will transform itself into "a peacemaker, a contributor of humanitarian aid, a center for innovation and business opportunities, and a major promoter of cultural exchange."⁴⁵

B. Approaches: the Peace Initiative & the Principle of Managing Disputes

The ROC adheres to the provisions in the Charter of the United Nations that call for the peaceful resolution of international disputes, and has therefore consistently advocated to handle the Diaoyutais dispute in accordance with the principle of "safeguarding sovereignty, shelving disputes, pursuing peace and reciprocity, and promoting joint exploration and development."⁴⁶ Amid rising tensions, noticing that Northeast Asia has become the engine of the world's economic development and worrying that the region could again succumb to the catastrophe of war, President Ma solemnly proposes on August 5, 2012 an "East China Sea Peace Initiative" by which he calls on all parties concerned to:

1. Refrain from taking any antagonistic actions;
2. Shelve controversies and not abandon dialogue;
3. Observe international law and resolve disputes through peaceful means;
4. Seek consensus on a code of conduct in the East China Sea;
5. Establish a mechanism for cooperation on exploring and developing resources in the East China Sea.⁴⁷

President Ma indicated that although national sovereignty cannot be compromised, natural resources can be shared; he called on all parties concerned to

⁴³ Ma, "President Ma's Remarks at the Videoconference with the Center for Strategic and International Studies."

⁴⁴ Ying-jeou Ma, "President Ma's Inaugural Address," *Office of the President, Republic of China (Taiwan)*, <http://www.president.gov.tw/> (accessed August 18, 2012).

⁴⁵ Ma, "President Ma's Remarks at the Videoconference with the Center for Strategic and International Studies."

⁴⁶ "President Ma Attends Activities Commemorating the 60th Anniversary of the Sino-Japanese Peace Treaty," *Office of the President, Republic of China (Taiwan)*, <http://english.president.gov.tw/Default.aspx?tabid=491&itemid=27898&rmid=2355> (accessed August 18, 2012).

⁴⁷ *Ibid.*

pursue peace and cooperation in the region together.⁴⁸ Despite the fact that the Diaoyutais have always been the ROC territory in terms of historical relationships, geographical affiliation, geological extension, utilization of the islands, or international law, Taipei hopes to use the initiative to help build a foundation for negotiations for all claimants, deescalate regional tensions, fulfill the goal of peaceful resolution, and turn a disputed sea into a sea of peace and cooperation. Besides, seeking consensus on a "code of conduct in the East China Sea" indicates that the ROC will commit self to the formation of a multilateral international regime.⁴⁹ In response, on August 25, the editorial of the Japan Times called on Tokyo to pay serious attention to the Peace Initiative and seek ways to start constructive dialogue with PRC and ROC to prevent future clashes over the Senkakus and to nurture peaceful ties.⁵⁰

To fulfill the Initiative, Academia Sinica research fellow Professor Yann-huei Song suggests that Taipei take the following measures: academically, Taipei may launch track-two dialogue or hold international conferences to invite experts and scholars from PRC, Japan, and America for the building of consensus; diplomatically, Taipei may call all parties concerned to sign a "Declaration of Conduct in the East China Sea" similar to the DOC in South China Sea and even push for the negotiation and passage of the Code of Conduct in the East China Sea; commercially, Taipei may facilitate civilian petroleum enterprises in the East China Sea to jointly conduct survey of oil and natural gas and establish organizations for the conservation and governance of fishery stock.⁵¹ In the end, it is sincerely hoped that resources sharing and joint development in the East China Sea will make Northeast Asia a model of international conflict management.⁵² Consequently, the Initiative fulfills not only the use of viable diplomacy but also the role of peacemaker and responsible stakeholder, enhancing ROC's contributions to the international community.

In fact, the principle of "safeguarding sovereignty, shelving disputes, pursuing peace and reciprocity, and promoting joint exploration and development" applies to both the Diaoyutais and the South China Sea. There are no winners or losers in sovereignty disputes; the fact that Japan and PRC exercise self-restraint to prevent escalation of tensions in the dispute of Diaoyutais indicates that the two governments' decisions are consistent with the concept of the East China Sea Peace Initiative. It also indicates that shelving dispute for joint development seems is the best approach to breaking the shackles of nationalism.⁵³

Taipei's Peace Initiative and principle of managing disputes are highly compatible with Washington's national interests, principle of collaborative diplomatic

⁴⁸ Ibid.

⁴⁹ Yann-huei (宋燕輝) Song, "Donghai heping changyi ruhe luoshi (東海和平倡議 如何落實, How to Fulfill the East China Sea Peace Initiative)," *China Times*, August 8 2012, A18.

⁵⁰ Editorial, "Nationalism over the Senkakus," *The Japan Times*, August 25 2012.

⁵¹ Song, "Donghai heping changyi ruhe luoshi (東海和平倡議 如何落實, How to Fulfill the East China Sea Peace Initiative)," A18.

⁵² Hsi-chieh (簡錫堃) Chien, "Donghai heping changyi/Chaoye biehu gongji, budang chiangquan qizi (東海和平倡議/朝野別互攻擊 不當強權棋子, East China Sea Initiative/The Ruling Party and the Opposition Should Not Attack Each Other; Taiwan Is Not Board Game Piece)," *United Daily News*, August 7 2012, A19.

⁵³ Tseng-chia (蔡增家) Tsai, "BaoDiao daxi, meishu meiyong (保釣大戲 沒輸沒贏, No Winners or Losers in the Show of Safeguarding the Diaoyutais)," *China Times*, August 18 2012, A17.

process, and South China Sea policy. Actually, Taipei's Peace Initiative and principle could be the best approaches to extricating claimants out of the so-called "security dilemma" in both the East China Sea and the South China Sea.

C. Concrete Measures: Cooperation in Marine Affairs & Maritime Security

The most striking feature of geopolitics in Asia Pacific is that most regional countries are connected to each other by the ocean, which naturally becomes the primary platform for regional cooperation.

(I) Promoting Cooperation in Marine Affairs

Theoretically, diversified Cooperation in Marine Affairs such as maritime education, maritime governance, maritime tourism, ocean scientific research, sustainable fisheries, and ecology & resource conservation helps promote benign ambience and advance interconnectedness and interdependence between regional countries. The ROC sincerely recommends that regional countries make the best use of the mechanisms—including Asia-Pacific Economic Cooperation (APEC), Council for Security Cooperation in the Asia Pacific (CSCAP), Workshop on Managing Potential Conflicts in the South China Sea (WMPCSCS), ASEAN Regional Forum (ARF), and ASEAN Ministerial Meeting (AMM)/ASEAN Post Ministerial Conference (ASEAN-PMC)—to promote cooperation in marine affairs so as to advance a regional identity that helps overcome contentious nationalism.

(II) Promoting Cooperation in Maritime Security

Because most regional countries are connected to each other by the ocean, strategic security cooperation is almost tantamount to maritime security cooperation. On the one hand, competition for realistic interests between neighboring countries makes ocean the physical target of conflicts; on the other hand. However, in the era of globalization, human need for functionalistic integration of "non-controversial" aspects of regional governmental conduct so as to overcome the barriers of sovereignty and prevent the spread of non-traditional security threats renders ocean a stage for weaving an ever-spreading web of international institutional relationships.⁵⁴ That is, maritime non-traditional security cooperation may provide an avenue for the promotion of regional peace and stability.

The 2002 DOC requests states concerned to cooperate in the field of non-traditional security including marine environmental protection and fight against

⁵⁴ Functionalists stress to highlight technical and "non-controversial" aspects of governmental conduct and clamor for weaving an ever-spreading web of international institutional relationships on the basis of meeting human needs and desires. They may concentrate on commonly experienced needs initially; later they expect the circle of the non-controversial to expand as practical cooperation become conterminous with the totality of interstate relations. The technological and economic development of human being lead the international community to "not to create sovereignty but to deny it" (emphasis by the authors of this paper) for collective functional integrations, so as to satisfy basic common needs and create public welfare; therefore, countries should work together to solve widespread social and economic problems and promote common interests. See Ernst B. Haas, *Beyond the Nation-State Functionalism and International Organization* (Stanford: Stanford University Press, 1964), 6. See also David Mitrany, "A Political Theory for the New Society," in *Functionalism*, ed. A J Groom and Paul Taylor (New York: Crane, Russak & Company, 1975), 30, 32. Joshua S Goldstein and Jon C. Pevehouse, *International Relations*, 9 ed. (New York: Russak & Company, 2010), 355.

transnational crime, including arms trafficking, drug trafficking and piracy.⁵⁵ The simultaneously issued "Joint Declaration of ASEAN and China on Cooperation in the Field of Non-traditional Security Issues" (November 2002) announced to use existing mechanisms to pursue the cooperation, and to formulate long-term and mid-term cooperation plans and establish ad hoc working groups to implement the plans of action. The subsequent "Memorandum of Understanding (MOU) between ASEAN and China on Cooperation in the Field of Non-traditional Security Issues" (January 2004) further specify objectives of cooperation to include joint efforts against terrorism, piracy, human trafficking, and transnational crime and identify areas of cooperation to include information exchange, personnel exchange, law enforcement cooperation, joint research, and other activities.⁵⁶ Later, the mechanism of "ASEAN Ministerial Meeting on Transnational Crime Plus Three" (AMMTC+3) is installed; since 2004, five joint statements have been issued by the AMMTC+3.⁵⁷ Also installed is the mechanism of "ASEAN Ministerial Meeting on Transnational Crime Plus China" (AMMTC+China); one Memorandum of Understanding (MOU), two Joint Statements, and Plan of Action for the MOU have been issued by the AMMTC+China since November 2009.⁵⁸ The aforementioned documents indicate strong joint commitments to anti-terrorism, anti-piracy, anti-trafficking, anti-smuggling, and anti-transnational crime. Besides, large bulk of documents of the ASEAN Regional Forum (ARF) indicate the continuous joint efforts by ASEAN and PRC in non-proliferation, prevention of infectious diseases, disaster management, and environmental pollution control; noticeably, joint efforts in the field of non-traditional security issues have been taken as confidence building measures between ASEAN and PRC, with specific reference to the South China Sea.⁵⁹

In short, ASEAN and PRC have repeatedly demonstrated commitments of cooperation across the full spectrum of non-traditional security issues, hoping that these potential confidence-building-measure (CBMs) avenues serve to facilitate peace and stability in the South China Sea. With high quality personnel of its Navy and Coast Guard Administration, ROC should be welcomed to join the regional efforts in dealing with non-traditional security threats.

D. The Past, the Present, and the Future

The existence of APEC, CSCAP, WMPCSCS, ARF, AMM/ASEAN-PMC, ReCAAP, COBSEA, and PEMSEA suggests that claimants are not short of mechanisms or concrete measures for collective functional integrations. However,

⁵⁵ "Declaration on the Conduct of Parties in the South China Sea," ASEAN, <http://www.aseansec.org/13163.htm> (accessed).

⁵⁶ ASEAN Secretariat, "Memorandum of Understanding between ASEAN and China on Cooperation in the Field of Non-traditional Security Issues," ASEAN, <http://www.aseansec.org/15647.htm> (accessed July 31, 2012).

⁵⁷ ASEAN Secretariat, "ASEAN Ministerial Meeting on Transnational Crime Plus Three (AMMTC+3)," ASEAN, <http://www.aseansec.org/19506.htm> (accessed August 2, 2012).

⁵⁸ ASEAN Secretariat, "ASEAN Ministerial Meeting on Transnational Crime Plus China (AMMTC+China)," ASEAN, <http://www.aseansec.org/24072.htm> (accessed August 2, 2012).

⁵⁹ For example, see ASEAN Secretariat, "Co-Chairmen's Summary Report of the Meetings of the ARF Inter-Sessional Support Group on Confidence Building Measures Bandar Seri Begawan, 4-6 November 1997 and Sydney, 4-6 March 1998," *ASEAN Regional Forum*, <http://aseanregionalforum.asean.org/component/content/article/3-public-library/148-co-chairmens-summary-report-of-the-meetings-of-the-arf-inter-sessional-support-group-on-confidence-building-measures-bandar-seri-begawan-4-6-november-1997-and-sydney-4-6-march-1998-.html> (accessed August 2, 2012).

flaring up of confrontations between claimants and PRC in the East China Sea and the South China Sea in recent years indicates political disputes continue to hamper regional cooperation. According to the wisdom of functionalism, the cause of continuing political disputes may well be the failure to overcome the barrier of sovereignty.

Theoretically, the role and efforts of ROC make Taipei a valuable responsible stakeholder and a significant contributor to peaceful resolution of the disputes in the East and South China Seas. It is a pity that Taipei has been excluded in the past, including the exclusion of ROC in the 2002 Declaration on the Conduct of Parties in the South China Sea. Currently, in the 2011 Guidelines for the Implementation of the DOC, ROC is again reprieved of its chance to make contribution to regional peace and stability. A group of scholars of the National Bureau of Asian Research argue that ROC should be included in dispute resolution discussions as it "can play a part in dispute settlement and cooperative activities for the development of East Asian energy and other natural resources."⁶⁰

Taipei's proffer of the **East China Sea Peace Initiative** and its adherence to the **principle of managing disputes** have provided the missing link to address the failure to overcome the barrier of sovereignty. In the future, it is highly recommended that in the seeking of Code of Conduct in the East China Sea and the South China Sea, ROC be included in the peacemaking formula so as to turn both seas from disputed water to seas of friendship, hope, and opportunity.

VI. Conclusion

This paper aims to explore the role and efforts of ROC in regional maritime security cooperation in the context of America's pivoting and rebalancing toward the Asia-Pacific region.

In the Asia-Pacific region, the intensifying competing claims pose the greatest potential threats to regional peace and stability; the increasing maritime non-traditional security threats could cause heavy impact upon the sustainable development of victim countries and bring major turbulence upon regional prosperity. The purpose of maritime security cooperation is to prevent, through collective efforts, the damage caused by traditional and non-traditional security threats.

The US is revamping its Asian strategy to shape the security environment. The US foreign policy is pivoting toward the Asia-Pacific; and the US defense strategy is rebalancing toward the Asia-Pacific. On account of the existing power gap between the US and PRC, Washington is expected to continue its hedging strategy toward PRC. As the issues of the East and South China Seas continue to heat up, the increasing joint exercises led by the US and expanding participants attest to regional support of America's emerging grand strategy and its continuing hedging strategy.

International maritime cooperation and competition has become the main theme of international politics in the 21st century. As a result, the geo-political and geo-strategic value of ROC is ascending. The metamorphosis of Taiwan from a Chinese cultural hinterland to a US values-oriented vanguard can be termed as strategic symbiosis between the US and ROC. The core values of the ROC lies in

⁶⁰ Schofield et al., "From Disputed Waters to Seas of Opportunity," p. 26.

helping China transform into a peace-loving, constructive member of the international community. Apparently, US-ROC strategic symbiosis is consistent with America's "hedging strategy" toward PRC. ROC's functionality has great potential in making contribution to regional peace and stability.

The "three lines of defense" and the "three legs of national security"—the national security strategy—support the strategic value of ROC and are in line with America's renewed Asian strategy. President Ma's principle of managing disputes and "East China Sea Peace Initiative" help build a foundation for negotiations for all claimants, deescalate regional tensions, fulfill the goal of peaceful resolution, and facilitate a multilateral international regime. Actually, Taipei's Peace Initiative and principle could be the best approaches to breaking the shackles of rivalry nationalisms and extricating claimants out of the so-called "security dilemma" in both the East China Sea and the South China Sea. Despite the existence of commitments of cooperation across the full spectrum of non-traditional security issues, and the mechanisms and measures for collective functional integrations, because of failure to overcome the barrier of sovereignty, political disputes continue to hamper regional cooperation. President Ma's position of the East China Sea Peace Initiative and its adherence to the principle of managing disputes, have provided the missing link to address the failure and contribute to regional peace and stability.

To serve the strategic value of encouraging China become a responsible and democratic member in the international community, Taipei will continue to commit itself to the institutionalization of cross-Strait reconciliation by facilitating virtuous cycle in the bilateral relations, to the enhancement of its contribution to the international community by joining regional maritime non-traditional security cooperation and proposing cooperation in marine affairs, and to the alignment of its defense with diplomacy by consolidating its military strength to deter maritime traditional security threats.

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The Asia-Pacific Strategic Environment and Maritime Security Challenges: A U.S. Perspective-What a Difference a Half-Decade Makes

Dr. Stanley Byron Weeks

INTRODUCTION

The Asia-Pacific strategic environment and maritime security challenges have experienced very significant changes in just the past half-decade since 2007. From a U.S. perspective, the maritime security challenges today in this region are more serious and pose greater dangers to the Sea Lines of Communication (SLOCs) than in the recent past. This paper will briefly assess the global and region-wide economic, political, and strategic challenges that form the background to current maritime security challenges. Four sub-regions of the Asia-Pacific—Northeast Asia, Southeast Asia, Oceania, and the Indian Ocean—are analyzed for their various strategic contexts, maritime security challenges, and a U.S. perspective on the implications for SLOC security in each sub-region. Conclusions will then highlight rising dangers to regional SLOCs, largely arising from the PRC's growing power and assertiveness, and consider a mixture of U.S. and regional nations' actions in force posture to dissuade and deter PRC aggressiveness, as well as other potential measures to enhance maritime cooperation to counter common, non-traditional, threats to regional SLOCs.

GLOBAL AND ASIA-PACIFIC STRATEGIC ENVIRONMENT

The global and region-wide economic, political, and strategic contexts have undergone remarkable changes in the past half-decade. Though a lengthy analysis of these changes is beyond the scope of this paper, a common perception is that the rise of China implies that the United States is in decline compared to China, with all that this implies for waning U.S. global and regional power and pre-eminence.¹ On the contrary, a recent detailed analysis by a Harvard scholar of indicators of U.S. and Chinese power concludes that "the United States has not declined; in fact, it is now wealthier, more innovative, and more militarily powerful compared to China than it was in 1991."² While no justification for U.S. complacency, this analysis bears serious reflection, as mistaken conventional wisdom perceptions on inevitable

¹Michael Beckley, "China's Century? Why America's Edge Will Endure," *International Security*, Vol. 36, No. 3 (Winter 2011/12), pp. 41-78, contains a comprehensive list of publications arguing U.S. decline.

²Ibid., p. 43. See also Ralph A. Cossa, "PacNet #35, US 1, China 0," June 6, 2012.

Chinese hegemony and U.S. weakness have potential serious implications for future security, especially in the Asia-Pacific region. That said, common perceptions, even if mistaken, drive actions and thus do matter. There is no doubt that the financial crisis beginning in the U.S. in 2007 and resulting in near-collapse of U.S. and global markets in late 2008, combined with inconclusive military conflicts in Iraq and Afghanistan, and very poor leadership for the past dozen years in the U.S., have led to the conventional wisdom of U.S. decline. This is particularly the case in the context of the continuing rise of China and other powers such as India, Brazil, and Russia (who with South Africa, now form the so-called “BRICS” group), and the economic vigor (compared to both the U.S. and the EU) shown by other major Pacific nations China, India, Australia, and Indonesia.

In the political context, the global and Asia-Pacific trends over the past half-decade are more mixed. China’s one-party collective dictatorship has a façade of stability, but underlying insecurities (as evidenced by regional and local unrest, internal party infighting, and a waning export economic model), with a leadership transition scheduled for this fall. Japan has seen the demise (and re-birth) of the long-dominant Liberal Democratic Party, the unsteady rise to power of the Democratic Party of Japan, and weak and changing leadership from six Prime Ministers in the past six years. In India, the governing Congress Party has been weakened by coalition infighting and the rise of regional parties. In Russia, the dictatorial KGB thug Putin is again wielding power out front with an increasingly corrupt and unpopular regime that (along with China) remains relentlessly uncooperative (despite failed Obama administration attempts to “re-set” relations) with Western attempts to maintain the traditional global rules-based order.

Adjacent to the Asia-Pacific region and its SLOCs, the recent years in the Middle East, Iran, and Pakistan/Afghanistan have negatively impacted on the security of the vital Indian Ocean SLOCs that begin in the Red Sea and Arabian Gulf/Strait of Hormuz and extend across to Singapore. In the Middle East, by the end of 2011 U.S. combat forces were finally withdrawn from the (still unstable and increasingly Iranian-influenced) Iraq. Since early 2011, the so-called “Arab Spring” has impacted the Middle East from Libya to Yemen, with major Arab power Egypt now formally led by a President from the Muslim Brotherhood (traditionally no friend of the West.) For the past half-decade, Israeli-Palestinian movement toward a two-state solution has remained at an impasse. Iran’s regional influence has been much strengthened by dominance of its Shiite allies in Iraq (and Hezbollah in Lebanon)—although recently weakened by the uprising against its ally the Assad regime in Syria. This is a particular concern since Iran remains the major global state sponsor of terrorism, with a nuclear weapons program which has resulted in international sanctions, which in turn have spurred repeated recent Iranian threats to close the Strait of Hormuz’s vital sea lanes for global, especially Asian, energy flows. In Afghanistan, after the U.S. surge of forces in 2009, those surge forces have now drawn down to the pre-surge level, with a focus on training Afghan forces to allow U.S./NATO combat forces to

withdraw as planned by the end of 2014. Further afield, Europe has spent the last few years distracted and weakened by the economic crisis and its threats to the common Euro currency, leading to cuts in already minimal European military forces. Finally, a relatively bright spot in recent years has been progress against global terrorism, though the threat is more dispersed and countering terrorism remains a continuing challenge.

In summary, the global and Asia-Pacific strategic environment, which forms the vital background for SLOC security, is in many ways a more troubled environment than it was five years ago. Combined with widespread perceptions that the U.S. strategic position, long central to SLOC security, is weakening in the face of rising Chinese power and assertiveness, this evolution of the broader strategic environment suggests the need for revitalizing the commitment and capabilities for SLOC security by the U.S. and its allies and partners.

THE FOUR SUB-REGIONS OF THE ASIA-PACIFIC REGION

There are four clearly identifiable sub-regions in the Asia-Pacific whose strategic contexts and resulting maritime security challenges, as well as responses to those challenges, vary considerably. In some sub-regions, traditional rivalries and disputes between states are the dominant characteristic, whereas in other sub-regions non-traditional threats, or a mixture of state and non-traditional threats characterize the sub-region. In the discussion below, each of the four Asia-Pacific sub-regions will be analyzed for its distinct strategic contexts and resulting maritime security challenges, and my own U.S. perspective will then address the implications for sub-regional maritime security. This sub-regional assessment will be followed by a discussion of region-wide, overarching conclusions on the dangers to regional SLOCs and possible actions to mitigate those dangers.

NORTHEAST ASIA

NORTHEAST ASIA STRATEGIC CONTEXT

The Northeast Asia strategic environment—where major power relations most intersect and where historical state rivalries and disputes remain unresolved—has worsened in the past half-decade. Russia's more assertive policies against Japan regarding the disputed Northern Territories have been reflected in the two recent visits of Russian leaders to these territories. Relations between the two Koreas have significantly worsened as a result of the two recent North Korean attacks on ROK

forces and islands detailed below, which have also (along with PRC fisheries violations) set back ROK-PRC relations. Relations between U.S. Allies Japan and the ROK remain troubled, despite recent efforts at improvement. Japan's relations with the PRC have notably deteriorated, particularly since the aggressive response by the PRC to the 2010 arrest of one of its fishing boat captains. Indeed, the only bright spot in the recent evolution of the Northeast Asia strategic environment has been the improvement in Taiwan-PRC cross-strait economic and political relations under President Ma's administrations.

In Northeast Asia, as in other sub-regions, the rise of China—and increased Chinese assertiveness—has been a key factor in the changing strategic context. Economically, the PRC is now the leading trade partner of other sub-region states (notably Japan, the ROK, and the Russian Far East), and a growing major trade partner for the U.S. and Canada. The PRC, Japan, and the ROK announced in May 2012 that they will begin negotiations on a trilateral Free Trade Agreement.³ Politically, the PRC has further increased its influence in the increasingly isolated DPRK and tightened its relationship with a (somewhat wary) Russia—often joining with Russia in the United Nations Security Council and other forums to thwart Western proposals and defend unsavory fellow dictatorships (e.g., Syria.) At the same time, the U.S. now has an FTA with the ROK, and is negotiating with Japan and other regional nations to broaden the Trans-Pacific Partnership (TPP) FTA. Though Russia is seen by most analysts as wary of long-term Chinese influence over the resource-rich Russian Far East (which contains only 4.4 percent of Russia's population), Russia is likely to retain in the near term its strategic partnership with China (in view of the Russian elites' continuing obsession with a supposed U.S./NATO threat.)⁴ Paralleling its economic rise, the rise of China as a military power has continued to grow in the past decade, with increasingly sophisticated naval, air, and missile forces, with range throughout the Northeast Asia sub-region and , increasingly, beyond this area. This growing military power and China's increasing verbal and operational assertiveness in area waters in recent years have led other Northeast Asian nations to experience what has long been termed in the U.S.-China context a "complex relationship," with growing economic ties, uneven political relations, and growing security concerns regarding China.

The broad Northeast Asia strategic context from the U.S. perspective in recent years has seen the formal bilateral alliances and critical basing arrangements for U.S. forces in Japan and the ROK revitalized politically, and militarily in the process of adjusting U.S. Northeast Asia force posture to the new strategic context. Though Russia remains a secondary factor in Northeast Asia, some limited military-to-military

³ Bhubhinder Singh, "Featured Commentary: Pragmatic Regionalism in Trilateral Northeast Asia FTA," Centre for Multilateral Studies Bulletin (Issue 4), RSIS, Singapore, July 2012.

⁴ Rens Lee, "The Far East Between Russia, China, and America," Foreign Policy Research Institute, July 2012; Artyom Lukin, "Russia: Between the US and China," eastasiaforum.org/2012/07/24.

contacts with the U.S. in the region continue. U.S. relations with Taiwan have improved considerably during President Ma's tenure.

NORTHEAST ASIA MARITIME SECURITY CHALLENGES

As noted above, Northeast Asia's strategic context features traditional major power states with maritime disputes and historical rivalries. Japan has maritime territorial disputes with Russia (Northern Territories/Southern Kurile islands), the ROK (Liancourt Rocks/Dokdo/Takeshima), and the PRC and Taiwan (Senkaku/Diaoyu islands), and these disputes have all worsened in recent years. Indeed, Japan's new July 2012 Defense White Paper notes its concern that "China has been expanding and intensifying its activities in waters close to Japan. These moves, together with the lack of transparency in its military and security affairs, are a matter of concern for the region and the international community..."⁵ In addition, China has fisheries disputes with all the neighboring sub-regional countries (including its DRPK ally), disputes with Japan over the Senkaku/Diaoyu islands and EEZ boundaries—all sharpened by increasingly aggressive PRC maritime actions in recent years.⁶ The ROK, after the March 2010 DPRK sinking of the Cheonan corvette and subsequent shelling of a northern ROK island, is now re-sensitized to the immediate maritime threats from the DPRK (even as the ROK Navy continues to build an increasingly blue water Navy capability for the longer term.) The DPRK has even angered its closest ally by seizing three Chinese fishing boats in May 2012—not the first time that the DRK has caused trouble for the PRC.⁷ U.S. attempts to foster trilateral U.S.-Japan-ROK naval cooperation have had some success this year in leading to trilateral naval exercises in June and August, but suffered a setback as ROK popular historical animosity toward Japan forced the ROK government to not sign agreements negotiated with Japan on information sharing and logistics support.⁸ Finally, despite the improvement in Taiwan-PRC cross-strait relations in the past five years, U.S. arms sales to Taiwan continue to complicate U.S.-PRC relations, and China continues to increase its naval, air, and missile threat to Taiwan. Taiwan reportedly has deployed its own missiles

⁵ Defense of Japan 2012, Ministry of Defense (Japan), at http://www.mod.go.jp/e/pub/w_paper/pdf/2012/07. See also Chico Harlan, "Japan Concerned by Chinese Naval Activity, Lack of Transparency in Decision Making Process," The Washington Post, July 31, 2012.

⁶ Junjie Zhang, "Averting China's Fishing Wars," <http://asiasociety.org/policy/environment/water-and-food-security/averting-chinas-fishing-wars>

⁷ Leonid Petrov, "Pirates or Hawks: Who Hijacked the Chinese Fishing Boats?," <http://www.asaa.asn.au/publications/ac/2012/asian-currents-12-06.pdf>; Jane Perlez, "North Korea Tests the Patience of its Closest Ally," The New York Times, June 24, 2012.

⁸ "United States, Republic of Korea and Japanese Naval Exercises Announced," U.S. Department of Defense, News Release No. 490-12, June 13, 2012; Choe Song-Hun, "South Korea Postpones Military Pact with Japan," The New York Times, June 29, 2012; "PacNet #44, Ghosts of History 1, Asian Security 0," July 17, 2012; Richard Halloran, "The Rising East: U.S. Commander Wants Tokyo-Seoul to Resolve Disputes," Honolulu Civic Beat, July 30, 2012.

capable of striking mainland bases.⁹ Overall, the complex web of maritime security challenges within the Northeast Asia sub-region complicates simple resolutions.

NORTHEAST ASIA—A U.S. PERSPECTIVE

As noted above, the U.S. bilateral alliances with Japan and the ROK in Northeast Asia provide critical forward bases for region-wide presence, and remain key to U.S. force posture throughout the Western Pacific. U.S. maritime ties with both Japan and the ROK have increased steadily in recent years. With Japan, this has been reflected in increased cooperation in Aegis sea-based missile defense, in distant Indian Ocean counter-piracy operations, and in plans for future shared joint training facilities in Guam and adjacent U.S. island territories. With the ROK, new ROK ships (including Aegis destroyers) and submarines offer potential for increased naval cooperation beyond traditional peninsula defense to blue water operations such as the ROK distant Indian Ocean counter-piracy deployments. At the same time, recent DPRK maritime attacks and threats have spurred increased U.S./ROK cooperation in anti-submarine warfare and other areas. In addition to counter-piracy operations in the Indian Ocean, both Japan and since 2010 the ROK cooperate with the U.S. (and Russia) in the Proliferation Security Initiative. The U.S. military's part of the broader U.S. strategic "rebalance/pivot" toward the Asia-Pacific region (discussed in more detail below) envisions a more distributed and sustainable U.S. force posture region-wide, with planned reductions/redistribution in Northeast Asia of some U.S. Marine Corps forces now based on Okinawa.

SOUTHEAST ASIA

SOUTHEAST ASIA STRATEGIC CONTEXT

Even more than in Northeast Asia (with its large and rather powerful states like Japan and the ROK), in the Southeast Asia context of smaller and less powerful states, China's growing economic and political influence and assertion of maritime claims and power have been the most significant changes to the strategic context in the past half-decade. Southeast Asia, specifically the South China Sea, in recent years has become the center of gravity of worsening maritime territorial and boundary disputes, spurred largely by Chinese claims and aggressive maritime activities in support of these claims. These claims and actions (which will be detailed below) have had several effects. Perhaps the most significant effect has been to

⁹ "Taiwan Deploys Anti-China Missiles: Report," *Defense News*, June 3, 2012.

largely negate since 2009 a prior decade of rather successful PRC diplomatic strategy designed to highlight China as an unthreatening economic and political partner for ASEAN nations. Another effect has been to spur several ASEAN claimants such as the Philippines and Vietnam to tighten their security relationships with the United States. Indeed, this impact of recent Chinese aggressiveness has been seen beyond the confines of Southeast Asia. Other regional powers that depend on freedom of navigation in the South China Sea, e.g., Japan, India, and Australia, have also tightened ties with the U.S., further re-shuffling the sub-regional strategic context in recent years.

Concern about the growing aggressiveness of China in Southeast Asia has resulted in this sub-region becoming a central focus of the recent U.S. strategy shift to “rebalance/pivot” toward the Asia-Pacific region. It has also led the U.S. to more strongly support regional multilateral organizations. The U.S. signed the ASEAN Treaty of Amity and Cooperation (TAC), and then in 2011 joined other regional powers in the East Asia Summit. The U.S. sent an Ambassador to the ASEAN secretariat, and U.S. Secretaries of State and Defense have attended ASEAN-centered meetings, including the ASEAN Regional Forum and the new ASEAN Defense Ministers Meeting Plus. As the U.S. officially stated again in August 2012 “the United States actively supports ASEAN unity and leadership in regional forums...to promote diplomatic solutions and to help reinforce the system of rules, responsibilities and norms that underpins the stability, security and economic dynamism of the Asia-Pacific region.”¹⁰ All of this is the broader background for the Southeast Asia maritime security challenges discussed next.

SOUTHEAST ASIA MARITIME SECURITY CHALLENGES

The primary threat to SLOC security and freedom of navigation in the South China Sea involves the potential for conflicts arising from territorial disputes in the Spratley Islands and other island areas between the PRC and other claimants, notably Vietnam, the Philippines, Malaysia and Brunei (Taiwan also has claims generally similar to those of the PRC—not surprising, since both trace their claims to “historical rights” (though such rights are not recognized in the current UN Convention on the Law of the Sea (UNCLOS) and to a 1947 map with dashed lines produced by the Kuomintang government.)¹¹ A full analysis of the various claims and complexities of international law is beyond the scope of this paper, but basically there are two territorial disputes. First are conflicting claims of sovereignty over the individual islands (with China claiming all in the South China Sea within the “nine-dashed line”). Second, since in international law “the land governs the sea,” the un-agreed sovereignty status of the

¹⁰ “South China Sea,” U.S. Department of State, Press Statement, August 3, 2012.

¹¹ Crisis Group Asia Report No. 233, “Stirring up the South China Sea (I),” April 23, 2012, pp.3-4.

islands then leads to disputes over the nature and size of resulting resource zones under UNCLOS—since uninhabitable “rocks” merit only a 12 NM Territorial Sea, while habitable “islands” establish 200 NM Exclusive Economic Zones (EEZs). Given the growing importance of both oil/gas and fisheries resources in the South China Sea, as well as nationalism and media hype in the PRC and other claimant countries—and as the PRC in particular has increasingly thrown its overwhelming maritime weight around in the South China Sea—these territorial and boundary related resource jurisdiction disputes have steadily increased in recent years.¹² A third category of disputes in the South China Sea is the attempt by the PRC to blatantly re-interpret customary law as codified in UNCLOS to claim the right of coastal states to control the activities of military vessels in the Exclusive Economic Zone, i.e., to convert the EEZ (which covers almost all the South China Sea) into a zone of security as well as economic/resource jurisdiction. Such an interpretation has resulted in air and sea incidents between China and the U.S., but other countries share U.S. concern at these attempts by the PRC to deny freedom of navigation.¹³

In addition to the maritime security challenges between states in Southeast Asia resulting from the above three categories of disputes, the sub-region still faces serious non-traditional maritime threats. Though recent years have seen the lifting of the ship insurance risk premiums imposed in 2005-2006 for ships in the vital Malacca and Singapore Straits area, piracy and sea robbery remain a concern. Bilateral and multilateral counter-piracy regional cooperation, through coordinated sea and air patrols and the establishment of the ReCAAP center in Singapore, has progressed considerably in the past half-decade. Terrorism ashore, likewise reduced in recent years in Indonesia and the Philippines, still raises concerns over the threat of maritime terrorism in ports and at sea, as well as the use of sea lanes by terrorists. Trafficking (of guns, people, and drugs) through the (often minimally patrolled) vast islands and sea lanes of Southeast Asia remains a concern. Finally, this sub-region is subject to many natural disasters—earthquakes and tsunamis, as well as typhoons—where the need for maritime forces in humanitarian assistance/disaster relief is frequent.

SOUTHEAST ASIA—A U.S. PERSPECTIVE

The March 2009 harassment of USNS Impeccable over seventy miles off Hainan Island by vessels of various PRC maritime agencies was a watershed event for U.S. national and maritime policy in the Asia-Pacific and for U.S. perceptions of aggressive Chinese behavior at sea violating freedom of navigation. Since then, increasingly assertive PRC maritime claims and actions, particularly in EEZs also claimed by the Philippines and Vietnam, have led to a strong U.S. reassertion of its

¹² Crisis Group Asia Report No. 229, “Stirring up the South China Sea (II),” July 24, 2012, p. 1.

¹³ Ibid.

commitment to freedom of navigation in the South China Sea. As early as October 2007, the new U.S. maritime strategy “A Cooperative Strategy for 21st Century Seapower (CS21)” had reflected rising U.S. concerns, noting that “credible combat power will be continuously postured in the Western Pacific and the Arabian Gulf/Indian Ocean to protect our vital interests, assure our friends and allies of our continuing commitment to regional security, and deter and dissuade potential adversaries and peer competitors.” The strategy further stated “We will not permit conditions under which our maritime forces would be impeded from freedom of maneuver and freedom of access,, nor will we permit an adversary to disrupt the global supply chain by attempting to block vital sea-lines of communication and commerce.”¹⁴

The subsequent 2009 PRC harassment of USNS Impeccable, followed by increasingly strident PRC claims and aggressive actions at sea against Philippine and Vietnamese vessels, led Secretary of State Clinton to strongly re-state U.S. interests and policy on the South China Sea at the 2010 ASEAN meetings in Vietnam and in a formal press Statement on July 22, 2011. This Press Statement said, in part, that “The United States...as a Pacific nation and resident power we have a national interest in freedom of navigation, open access to Asia’s maritime domain, the maintenance of peace and stability, and respect for international law in the South China Sea. We oppose the threat or use of force by any claimant in the South China Sea to advance its claims or interfere with legitimate economic activity. We share those interests not only with ASEAN members and ASEAN Regional Forum participants, but with other maritime nations and the broader international community...In keeping with the 2002 ASEAN-China Declaration, each of the parties should comply with their commitments to respect freedom of navigation and over-flight in the South China Sea in accordance with international law...” and went on to call for all parties to clarify their claims in the South China Sea “consistent with customary international law, including as reflected in the Law of the Sea Convention,” and urged all parties to “accelerate efforts to reach a full Code of Conduct in the South China Sea.”¹⁵

In August 2012, the U.S. State Department reiterated U.S. policy in another Press Statement, in response to “an uptick in confrontational rhetoric, disagreements over resource exploitation, coercive economic actions, and the incidents around the Scarborough Reef, including the use of [PRC] barriers to deny access,” as well as the “Chinese upgrading of the administrative level of Sansha City and establishment of a new military garrison there,” and again encouraged ASEAN and China to progress toward a Code of Conduct, and endorsed the ASEAN Six-Point Principles on the South China Sea as well as ASEAN leadership in regional forums.¹⁶ The PRC

¹⁴ U.S. Navy, U.S. Marine Corps, U.S. Coast Guard, “A Cooperative Strategy for 21st Century Seapower,” pp. 9, 12. See also John F. Bradford, “The Maritime Strategy of the United States: Implications for Indo-Pacific Sea Lanes,” *Contemporary Southeast Asia*, Vol. 33, No. 2 (2011), pp.183-208.

¹⁵ “The South China Sea,” U.S. Secretary of State, Press Statement, July 22, 2011.

¹⁶ “South China Sea,” U.S. Department of State, Press Statement, August 2, 2012.

responded on August 4, 2012 with its own Ministry of Foreign Affairs statement claiming that the U.S. statement “showed total disregard of facts, confounded right and wrong, and sent a seriously wrong message,” followed by the standard PRC mantra that “China has indisputable sovereignty over the South China Sea islands and adjacent waters. This is supported by clear historical facts.”¹⁷ In summary, the disputes over territory and jurisdiction in the South China Sea have, largely due to recent PRC aggressiveness in claims and maritime actions, worsened greatly in the past half-decade, and pose an increasing threat to the stability of the region (and beyond) and to the security of the vital SLOCs through the South China Sea.

In this context, U.S. bilateral Alliances in Southeast Asia with the Philippines and (to a lesser extent) Thailand, have become increasingly important. Likewise, the U.S. Navy’s emphasis in recent years on maritime partnerships—notably with Singapore, Indonesia, and to some extent Vietnam, have been increasingly important. This is as U.S. forces, especially the Navy and Marine Corps, increasingly shift their focus to rotational deployments to the Asia-Pacific and a greater presence in and around the South China Sea, as part of the broader U.S. strategic shift toward the Asia-Pacific region.

OCEANIA

OCEANIA STRATEGIC CONTEXT

The strategic importance of the Oceania sub-region has increased in the past half-decade, with new U.S. initiatives in Guam and other U.S. island territories, with Australia (and New Zealand), and with the Pacific Island nations. From the U.S. perspective, its territories of Guam and the adjacent Commonwealth of the Northern Marianas (CNMI) have received renewed attention (beginning even before the recent U.S. formal “rebalancing/pivot” strategic shift to the Asia-Pacific) as secure American territories for basing of U.S. military forces for territorial defense and for power projection region-wide. The U.S. has commitments to defend not only these and other U.S. territories in Oceania, but also has defense commitments to numerous other former trust territory (now independent) island states in the Central and South Pacific. U.S. bases in Guam, though still distant from the Asian mainland, are 2,200 miles closer to Taiwan than to Hawaii.¹⁸ Second, in addition to reinforcing Guam, the U.S.

¹⁷ “Statement by Spokesperson Qin Gang of the Ministry of Foreign Affairs of China on the U.S. State Department Issuing a So-called Press Statement on the South China Sea,” August 4, 2012.

¹⁸ Shirley A. Kan, “Guam: U.S. Defense Deployments,” CRS Report RS22570.

in late 2011 agreed with longtime close ally Australia to increase joint training and use of facilities in Australia by rotating U.S. force deployments (of U.S. Marine Corps forces, ships, and aircraft.) The Australian Defense Minister Stephen Smith stated in June 2012 “these additional practical cooperation mechanisms in the North and in the West of Australia, in our view, will be an ongoing cause for peace and security in our part of the world because it will continue to ensure a United States presence.”¹⁹ That said, some Australian analysts have criticized as a threat to the alliance with the U.S. the 10.5 percent cut in the defense budget released in May 2012 by Prime Minister Gillard.²⁰ Also, the Australian Defense Minister in August 2012 rejected some unofficial proposals in a U.S. think-tank report to permanently base a U.S. aircraft carrier in Western Australia, drawing the line at the current increased U.S. rotational naval and air access to Australian facilities.²¹ The U.S. has also improved its defense relations with New Zealand, following up on the 2010 Wellington Declaration and the 2011 visit of the New Zealand Prime Minister to Washington with the June 2012 Washington Declaration on Defense Cooperation. This document “establishes greater cooperation in maritime security (including maritime domain awareness), counter-terrorism, anti-piracy measures, humanitarian assistance, disaster relief and United Nations and multilateral peacekeeping support.”²² Third, the U.S. Navy and Coast Guard have in the past half-decade stepped up support for maritime awareness and fisheries patrols in the 22 Pacific Island states, as detailed below. Finally, as throughout the Asia-Pacific region, the continuing economic and military rise and assertiveness of China has impacted the Oceania sub-region, not only by spurring closer ties and greater U.S. presence in Australia and Guam, but also by PRC economic and investment aid to smaller island states, even some (like the Federated States of Micronesia) which are currently in a compact for defense with the United States.²³

OCEANIA MARITIME SECURITY CHALLENGES

The nature of the maritime challenges varies throughout the vast Oceania sub-region. For Guam and other U.S. territories (and island states with defense compacts with the U.S.) the challenges are primarily in homeland defense—including missile defense as a growing concern in view of the range of some of the PRC’s missiles. The EEZs of these island territories cover 43 percent of the U.S.’s total EEZ area.²⁴ For many of

¹⁹ “Enhanced U.S. Role Vital to Asia: Australia,” AFP, June 2, 2012.

²⁰ “Defense Cuts a ‘Threat’ to U.S. Alliance,” *Australian Financial Review*, May 25, 2012.

²¹ “Australia Rules Out US Nuclear Aircraft Carrier Bases,” *Aerospace & Defense News*, August 6, 2012.

²² “New Zealand, US Sign New Defence Pact,” *New Zealand Herald*, June 20, 2012. A copy of the Declaration is available at <http://www.defense.gov/news/washingtondeclaration.pdf>.

²³ Scott Leis, “Micronesia’s Future Between China and the US,” June 16, 2012, <http://www.eastasiaforum.org/2012/06/16/micronesia-s-future-between-china-and-the-US/>

²⁴ Gidget Fuentes, “New Carrier Role in Pacific: Fight Illegal fishing,” *Navy Times*, June 21, 2012.

the 22 Pacific Island states, internal political and economic weaknesses, and the vastness of their EEZs, complicate their ability to patrol and counter illegal fishing, as well as smuggling and crime. The Pacific Island states thus need to enhance maritime domain awareness and information sharing and develop their capacity to patrol and especially to defend their critical fisheries resources—areas which the U.S. is (together with Australia, New Zealand, and France in this sub-region) increasingly supporting.

OCEANIA—A U.S. PERSPECTIVE

For the U.S., the most important elements of strategic change in the Oceania sub-region in recent years have been continuing and refining the shift of U.S. forces (U.S. Marine Corps, submarines, aircraft and UAVs, and new training ranges) to secure U.S. territories in Guam and the CNMI, and increasing U.S. rotational force deployments to Australian defense facilities. Second, U.S. maritime and air forces have become more active in assisting Pacific Island states with maritime domain awareness and countering illegal fishing in their EEZs. In 2009, the U.S. Navy began assisting the U.S. Coast Guard in the Oceania Maritime Security Initiative (OMSI), with U.S. Navy ships (including, in June 2012, the USS Carl Vinson Carrier Strike Group) sailing through the Pacific Islands area enroute to Asia-Pacific deployments.²⁵ Since 2006, the annual Pacific Partnership mission of the U.S. Navy Hospital Ship Mercy (or a large amphibious ship), has included medical personnel from U.S. and partner nations and non-governmental organizations, as well as engineer support units and trainers, to help strengthen humanitarian assistance and disaster relief capacity in various states in Oceania and Southeast Asia.²⁶ Looking to the future in the Oceania sub-region, the U.S. has further potential for enhanced maritime and air cooperation with Australia and New Zealand (especially as new Australian amphibious ships and Aegis destroyers enter service). Finally, the U.S. will need to carefully monitor (and counter as required) PRC political and economic penetration of this sub-region's weaker island states, which has the potential to thwart the renewal of current security compact ties of some of these island states with the United States.

INDIAN OCEAN

²⁵ Ibid.

²⁶ John F. Bradford, *op.cit.*, p. 197.

INDIAN OCEAN STRATEGIC CONTEXT

In the Indian Ocean sub-region, perhaps the most significant influences in the past half-decade on the strategic context have been the continued rise of India and the rise (and very recent receding) of the Somali piracy threat. India has continued to rise as a major economic, political, and military (especially maritime) power. Though limited by India's sovereignty sensitivities, non-aligned tradition, and coalition politics, India has continued to develop as an important strategic partner of the U.S., with shared democratic values, shared interests in the security of SLOCs across the Indian Ocean, and shared wariness of growing Chinese power and assertiveness.²⁷ Indian participation in the various ASEAN forums and its expanding security and maritime cooperation with U.S. allies Japan and Australia are also common linkages with the U.S. The ongoing modernization of Indian military forces has led to \$8 Billion in contracts in recent years to U.S. defense companies.²⁸ In contrast, U.S. ties with Pakistan's weak civilian governments of recent years have deteriorated. The involvement of Pakistani based terrorists in the attacks in Mumbai in 2008 further complicated Pakistan's already troubled ties with India as well as with the U.S., as Pakistani territory harbors terrorists attacking in India and Afghanistan. The end of the Tamil insurgency in Sri Lanka strained relations with the U.S. and led to increased PRC Sri Lanka investments (including ports) and military ties. The election of a Maoist government in Nepal also has led to some increased PRC influence in this sub-region. Bright spots in the sub-region include the lessening of internal terrorist threats in Bangladesh, and the recent emergence of adjacent ASEAN member Burma on a more democratic path. The past half-decade witnessed the emergence of Somali piracy as a major threat to critical SLOCs throughout the Western Indian Ocean, and spurred continuing deployments of three international combined naval task forces (CTF 151, a NATO Task Force, and an EU Task Force), plus independent deployments of ships from China, India, Japan, Russia, Iran, and Malaysia. Due to a combination of the deterrent effect of these naval deployments, increasing use of privately contracted armed security personnel, and adoption by commercial ships of IMO-developed counter-piracy "best practices," piracy attacks this year are down sixty percent from last year. Recent increasing threats from Iran to the vital SLOCs through the Strait of Hormuz add another serious danger to Indian Ocean sea lanes. Finally the U.S. military facilities (naval and air) on the island of Diego Garcia in the middle of the Indian Ocean remain vital to support U.S. regional presence.

INDIAN OCEAN MARITIME SECURITY CHALLENGES

Overall, the past half-decade has seen a significant increase in dangers to SLOC security in the Indian Ocean. In addition to the Somali piracy threat from the western

²⁷ See "India Not Sold on Closer Military Ties with U.S.," *Los Angeles Times*, June 6, 2012.

²⁸ "U.S. Force Posture Strategy in the Asia Pacific Region: An Independent Assessment," Center for Strategic and International Studies (CSIS), Washington, July 24, 2012, p. 38

coast of India to the Red Sea and Gulf of Aden, there are now the threats of Iran to block SLOCs through the Strait of Hormuz. Iran is a belligerent, unpredictable state sponsor of terrorism now under international economic sanctions due to its ongoing nuclear weapons program. Though not a major naval power, its sea mines, diesel submarines, swarming small boats, and anti-ship cruise missiles could initially cause considerable damage to ships in the Arabian Gulf and the Strait of Hormuz. There is also a continuing danger of terrorist attacks from or on the sea, like the 2008 attacks on Mumbai and the earlier USS Cole attack. PRC penetration of the Indian Ocean sub-region has increased, with permanent ship deployments for counter-piracy operations since early 2009, continued military and maritime ties with Pakistan and Burma, and new ties with Sri Lanka. On the positive side, international naval cooperation (including China and others) to deal with the common threats to SLOCs has increased as a result of the Somali counter-piracy deployments—but the long term costs/sustainability of the current large international naval force deployments are a concern.

INDIAN OCEAN—A U.S. PERSPECTIVE

If Southeast Asia has, in the past half-decade, become the sub-regional locus of maritime disputes and potential conflicts, the Indian Ocean's multinational naval response to the common threat to SLOC security posed by Somali piracy makes the Indian Ocean a locus for continued multinational maritime cooperation. From the U.S. perspective, the development of a strategic partnership with the region's major power India has been most noteworthy. Since "the 2005 US-India Defense Framework Agreement and the 2006 Indo-US Framework for Maritime Security Cooperation, India now conducts more exercises with U.S. forces than any other country. Over one-third of PACOM's total exercises are conducted with India...across all services."²⁹ As India further modernizes its naval and air forces, there is scope for the U.S. to increase the inter-operability and complexity of exercises (including more multilateral exercises with, e.g., Japan and Australia.) The U.S. will also need (despite various disputes with Pakistan's Army-led military) to enhance its relations with Pakistan's Navy, or see it come to depend on the PRC by default. In recent years, the U.S. has extended its annual Africa Partnership deployments to coastal East Africa, and there is scope, working with other partners, to assist East African nations' maritime forces in building their maritime domain awareness and patrol capacities. The U.S. should also ensure that it continues to develop relationships with the new South African naval forces. Finally, the U.S. will need to ensure that the necessary 20-year extension from the UK on Diego Garcia use (required by December 2014), takes place.³⁰

²⁹ Ibid. For a more critical analysis of India's rise, see Sumit Ganguly, "Think Again: India's Rise," *Foreign Policy*, July 5, 2012.

³⁰ Ibid.

CONCLUSIONS

The global and Asia-Pacific regional strategic environments have experienced significant changes in just the past half-decade. The net impact has been an increase of maritime security challenges to SLOCs in the Asia-Pacific region. As a result, U.S. concern with an increasingly assertive China (and Iran), especially their growing capabilities to deny U.S. and partner maritime forces access to the regional seas and freedom of navigation and operation in regional waters has in large measure led to a “rebalance/pivot” of U.S. strategy toward the Asia-Pacific region.

The steady and increasing rise of PRC economic, political, and especially military power is a common strategic thread across the four Asia-Pacific sub-regions, from the Indian Ocean to Northeast Asia, with the South China Sea increasingly the focal point of potential conflicts and threats to freedom of navigation. Asia-Pacific SLOC security and freedom of navigation (especially in the South China Sea) is thus now a major increased concern for the U.S., and will drive the future U.S. regional posture of military (especially maritime) forces. Early elements of this U.S. shift in focus were evident as early as 2007 in three key defense documents: the 2006 Quadrennial Defense Review (QDR) (which began the shift of U.S. naval forces to the Pacific), the October 2007 new U.S. maritime strategy, cited earlier, with its emphasis on freedom of navigation and credible combat capability presence in the Western Pacific and Indian Ocean to counter anti-access/area-denial threats, and the 2010 QDR (which announced plans to develop a new Air-Sea Battle concept to counter anti-access/area-denial strategies).³¹

The Obama administration signaled its intent to continue to enhance this shift in U.S. strategic focus to the Asia-Pacific. In his November 2011 address to the Australian parliament, President Obama pledged that “the United States will play a larger and long-term role in shaping this region and its future,” and his National Security Advisor listed among U.S. goals to ensure “that commerce and freedom of navigation are not impeded.”³² The shift in U.S. strategic priorities to the Asia-Pacific was reflected in the Defense Department’s January 2012 “Defense Strategic Guidance,” which stated that the U.S. will “of necessity rebalance toward the Asia-Pacific region” and in the subsequent defense budget submission, which resulted in largely sparing the U.S. Navy from the full impact of defense budget cuts.³³ Resulting from this, changes (some begun in the last decade) to the U.S. military force posture in the Asia-Pacific region are being identified and implemented. The goal is for a modified U.S.

³¹ “Pivot to the Pacific? The Obama Administration’s “Rebalancing” Toward Asia,” CRS Report R42448, March 28, 2012, p. 16.

³² Ibid, p. 1.

³³ “Sustaining U.S. Global Leadership: Priorities for 21st Century Leadership,” U.S. Department of Defense, January 2012 (at http://www.defense.gov/news/Defense_Strategic_Guidance.pdf).

regional force posture that is “geographically distributed, operationally resilient, and politically sustainable.” This should serve to tailor the U.S. military posture to the various strategic and maritime contexts in all four Asia-Pacific sub-regions discussed above. An important mission identified in the new Defense Strategic Guidance is to counter (PRC and Iran) anti-access/area-denial threats, with the Air-Sea Battle (ASB) concept under development to this end. Though classified and still evolving, one recent report identified some key elements of ASB for U.S. forces in the Western Pacific as dispersing forces, hardening bases, and being capable of conducting coordinated air and sea strikes.³⁴ Above all, the modified U.S. force posture must deter/dissuade China (and Iran) from interfering with freedom of navigation. For the U.S., a top priority will also be to continue to adapt and enhance U.S. maritime ties with traditional regional treaty allies Japan, Australia, the ROK, the Philippines, and Thailand, as well as with other important partners such as Singapore, India, Indonesia, Vietnam, Malaysia, and New Zealand. To this end, it will be important for the U.S. maritime services to continue to emphasize the importance of maritime cooperation, dialogues, and confidence-building measures (including with the PRC), both to counter common agreed non-traditional threats like piracy and disasters, and to lessen the dangers of conflict by accident or miscalculation. It will also be important for the U.S. and others to continue to leverage existing multilateral regional maritime forums, such as the Western Pacific Naval Symposium (WPNS), the Indian Ocean Naval Symposium (IONS), the ASEAN Regional Forum and ASEAN Defense Ministers’ Meeting Plus meetings, the Council for Security Cooperation in the Asia Pacific (CSCAP) maritime working group, various Coast Guard Forums, and this SLOC Study Group.

Above all, the United States must realize that the strategic “rebalance/pivot” towards the Asia-Pacific will involve much more than some shifts in military force posture in the region. This new strategy will require a series of challenging “balances” within U.S. policy, including:

- Balancing the stated Asia-Pacific focus with other uncontrollable global regions of U.S. concern, especially the Middle East
- Balancing the emphasis on U.S. diplomatic, economic, and military elements of engagement in the Asia-Pacific region
- Balancing U.S. military presence and activities in the region with the other economic and diplomatic elements of the overall “complex relationship” of the U.S. and China
- Balancing U.S. military requirements with the broader economic and budget needs to ensure U.S. economic health

³⁴ Greg Jaffe, “U.S. Model for a Future War Fans Tensions with China and Inside Pentagon,” The Washington Post, August 1, 2012, pp. A1, A12.

--Balancing between reassuring regional nations through the U.S. regional military presence, and arousing further PRC fears of "containment"

-- Balancing between reassuring regional nations through the U.S. regional military presence and the risk of partner nations involving the U.S. in an unwanted larger conflict with the PRC

-- Balancing firmness in countering increased Chinese assertiveness while avoiding fears of other regional nations that they are being forced to choose, or drawn into a conflict, between their China economic ties and the U.S. security presence

In navigating this increasingly complex maritime strategic environment, U.S. and other leaders would do well to bear in mind the words of Bob Dylan:

"The ship's wise men will remind us all again that the whole wide world is watching."

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From the sea that divides to one that unites : Creating peace, stability and prosperity in the South China Sea

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Abstract

Reducing tension in South China Sea (SCS) has become a matter of international concern and a cause célèbre in the region, given the sealane's enormous importance as a facilitator of trade and economic activities and its strategic value. Locked in the tension are states which claim parts or in the case of one particular regional power, the whole of the sea. Also throwing their weight into the fray are external powers which are keen to see the sealanes of SCS remain open for their own strategic interests. Recent events that threaten to cause conflicts in the sea have highlighted the need for the parties in disputes to set aside differences and engage one another – which are close economic partners in an increasingly integrated and interdependent region - in various activities of common interests and benefit to restore unity among them and preserve peace, stability and prosperity in the area. Such initiatives can be promoted in areas such as environmental management; fishery resource management; humanitarian assistance and disaster relief; navigation safety; and search and rescue. These areas present 'low hanging fruits' that can be easily reaped given that they do not involve sensitive issues such as sovereignty and sovereign rights. This paper argues that nations which work together closely in cooperative efforts within a formal set-up would unlikely take an adversarial attitude towards their cooperative partners. This is essential to prevent disputes in SCS from escalating and the confidence, trust and respect arising from working together will lead to a conducive environment in which disputes among them can be settled through peaceful means. The paper suggests several steps that can be taken that can lead towards this and contribute towards peace, stability and security in SCS. It ends by emphasizing that a collective effort is needed by all parties concerned and a spirit of compromise and tolerance and a focus on common rather than nationalistic interests are required in order to move the SCS agenda forward.

Keywords : South China Sea, disputes, cooperation, joint development

"In each of us, there is a little of all of us"

(Georg C. Lichtenberg)

A sea mired in complexity

The South China Sea (SCS) is a waterway of immense economic and strategic importance to the littoral states and international community. They depend on the open sealane to facilitate commerce and other economic activities, and the sea contains areas and features which are claimed by several nations. External powers profess strong interest in keeping the sealane open for their own strategic purposes.

As a trade lane, SCS hosts an estimated half of the world's oil tanker traffic and half of its merchant vessels (by tonnage) annually.¹ The sea also boasts stunning biodiversity and contains a third of the world's coral reefs, and also rich fishery and energy resources.²

Due to its features and importance, SCS has unwittingly become a complex chessboard for the littoral states and external powers to play out their strategic moves and calculations. We have recently seen a worrying spike in the geo-political temperature arising from the assertive actions and blustery rhetoric and actions of nations with interest in this vast, strategic sea. Several nations claim whole or parts and features of the sea. In the course of them staking their claims and safeguarding their interests, they have caused a series of actions and reactions that have stoked tension and given rise to anxiety that full-blown conflicts may break out there.

Copious amount of literature has been written about the assertive actions of claimant states, the involvement of outside powers and the failure of the protagonists to agree on a code of conduct governing their behaviors in the sea. This has partly contributed to the lack of cohesive approach and a mutually agreed mechanism for the littoral nations of SCS to cooperate in areas of mutual interests and benefit.

This is a shame considering that they have so many common interests in SCS. In today's globalized world and amid the growing trend of regionalism and inter-dependence among nations in many areas, it is no longer an option for nations to not work closely with others and foster and strengthen ties with one another. What more in an area like SCS in which so much interests override and which has become a conduit for commerce and socio-cultural exchanges in the region since time immemorial.

¹ Anon. (undated). *The South China Sea*. Retrieved July 23, 2012 from The South China Sea Virtual Library website at <<http://community.middlebury.edu/~scs/intro.html>>

² Ibid.

The failure of littoral nations of SCS to break away from the shackles of disputes and nationalistic interests prevents optimal use and exploitation of resources in SCS for common benefit. Take hydrocarbon resources for example, which are so vital to the economies and the national security of the littoral states and the international community. It would be impossible to unlock the vast resources and economic potential of this resources-rich sea if it is wrought with tension and uncertainty. Likewise, international commerce, which is so essential to the economies of the region and for that matter the world, cannot take place smoothly if SCS were to be mired in conflict.

What accounts for the lack of progress in moving forward the agenda to shelve the disputes in the sea? Why haven't nations which continuously pledge their commitment to preserve peace and security, and use diplomatic channels to settle differences in the sea, live up to their commitment? Why do nations which are inextricably linked with their neighbors and other nations outside the SCS region continue to be at loggerheads with one another in staking their claims and protecting their national interests in the sea? What practical steps can be taken to pave the way towards the amicable settlement of disputes and promote cooperative initiatives in SCS? These are among the questions that this modest paper hopes to answer or at least shed light on. It will do so while being mindful of the complex challenges faced in realizing the aspiration of creating enduring peace, stability and prosperity in these strategic waters.

Several recent developments in SCS have demonstrated that several claimant nations are not shy from aggressive posturing and muscle flexing in advancing and protecting their interests. These include sending warships to disputes areas, cutting off cables of ships belonging to other nations, harassing and arresting fishermen, and making claims not substantiated by solid legal arguments.

These incidents have been well documented and it is not the wish of this paper to discuss the merits or demerits of those claims and who is right or who is wrong. It will leave that task to other scholars but will just focus on how claimant states and other stakeholders to set aside their differences towards attaining peace, stability and prosperity in the sea.

The state of play

It is never helpful to 'dumb down' a situation as complex and potentially dicey as the tension arising from claims, counterclaims and power play among the protagonists in SCS. The tension in the sea is caused by a concoction of multifarious, intricate cobweb of factors and interests including history, commerce, economics, natural resources and politics. However, to help develop an understanding of the geostrategic and geopolitical state of play in the sea, it would be helpful to break the situation down into bit sizes. This will be helpful in developing a big picture view of the sea and in coming up with practical suggestions on how to manage the conflict and promote cooperative initiatives in the sea.

The situation in the sea is best understood by 'breaking' the aspects of the sea into several dimensions, as depicted in Table 1 below :

Table 1
Key dimensions of South China Sea and activities involved

Dimensions	Activities
Economics	Exploiting resources such as oil, gas and fish. Keeping shipping lanes open, safe and secure to ensure unhindered flow of trade. Promoting marine tourism and marine leisure activities. Facilitating economic activities along coastal areas.
Environment	Preventing and cleaning up marine pollution, for example from oil spills from ships. Maintaining environmental integrity of marine environment and ecosystems. Conserving marine creatures and assets such as coral reefs. Protecting marine ecosystems such as mangrove areas from natural disasters and threats of climate change.
Legal	Ensuring international laws (especially Law of the Sea) and principles are observed in the use of the sea and the staking of claims therein.
Political/strategic	Exerting sovereignty and sovereign rights. Safeguarding national interests. Ensuring territorial integrity.
Safety	Maintaining navigation safety of shipping traffic. Ensuring offshore activities such as fishery, seaborne trade and exploration and production of oil and gas are carried out safely. Ensuring search and rescue capability is in place.
Scientific research	Carrying out marine scientific research to develop understanding of the features of SCS, to determine the resources available and to take actions to manage its environment and resources.
Security	Protecting assets, lives and environment from traditional and non-traditional security threats such as natural disasters and accidents. Preventing trans-boundary crimes such as smuggling and

	trafficking. Preventing illegal, unreported and unregulated fishing.
Technology	Leveraging the use of technology to harness resources from the sea, to ensure safety and security, to protect the marine environment.

It is vital at this juncture to emphasize that SCS is not part of what is termed as the 'global maritime commons' and not considered 'international waters'.³ It is rather a semi-enclosed sea which consists of Exclusive Economic Zones (EEZ) of the coastal states which have sovereign rights and obligations in their respective maritime zones and waters. These include rights to exploit the resources in the maritime zones and certain jurisdictions with regard to matters such as marine environmental protection and scientific research. Reminding ourselves that EEZ is NOT part of 'global maritime commons' and the fact that other states have rights to freedom of navigation⁴ and overflight in EEZ (subject of course to their having due regard to the rights and obligations of the coastal states) is key to develop an understanding of the dos and don'ts in SCS.

The SCS is a region that hosts mainly developing countries whose economic prosperity depends highly on the resources of the sea and the open sealanes within it. Take Malaysia for example, a country whose 95% of its trade is transported by sea⁵ and counts SCS as a key economic lifeline. In the case of China, it depends heavily on imported oil from the Middle East which passes through the sea. Fishery and international trade which SCS facilitates are important components of Vietnam's industry, while Brunei's economy depends largely on hydrocarbon resources from SCS. Taiwan, a claimant party in SCS, also depends heavily on the sea to facilitate much of its trade.

Taking these into account should put into perspective the importance of SCS to the littoral nations. Despite the tension and differences among claimant states, they have much greater interests prevailing in many fields including economics, safety, international relations and environmental protection, among others, which should not be compromised.

³ Article 55 of UNCLOS establishes the EEZ as a zone sui generis subject to its own specific legal regime. Hence, to claim that EEZ is part of the 'global maritime commons', is to reject the notion that the EEZ is sui generis and that Article 55 reflects customary law. This was view taken by a particular external power which is not even a party to UNCLOS in justifying its involvement and arguing in the case of protecting its strategic interests in the sea.

⁴ A particular external power takes the unflinching view that 'freedom of the sea' includes navigation for naval vessels, not just merchant ones. This does not sit in harmony with the fact that several countries in the SCS region – including China - have restrictions on freedom of the sea for naval vessels.

⁵ MASA (2010). Maritime Yearbook 2011-2012. p. 23.

It is therefore crucial that the disputes in SCS, as important as they are to be resolved, be put into its proper context so as not to drown the need to focus on other areas of collective interest and benefit. The fate of the littoral nations intertwines in SCS, a sea of plenty which has facilitated trade and cultural exchanges in the region for millennia.

The case for joint development in SCS

The call for joint cooperation and collaborative activities in SCS is not merely a romantic idealist's wish that comes in a vacuum. It stands on a legal leg and is even encouraged in the United Nations Convention on the Law of the Sea (UNCLOS) that governs the use of the oceans.⁶

It is encouraging to note that despite the prevailing tension in SCS resulting from disputes among claimant states, several joint development initiatives have taken place in SCS and the surrounding waters. The success of these joint developments should provide a useful reference for more such initiatives to be promoted and undertaken among the littoral states of SCS, especially among the claimant states. Table 2 lists some of the cooperative activities among the nations in the SCS region and the modalities that facilitate them.

Table 2
Modalities facilitating cooperative activities among nations in the South China Sea region

Area	Modalities

⁶ The SCS neighboring countries are required under Article 123 of UNCLOS to : (i) coordinate the management, conservation, exploration and exploitation of the living resources of the SCS; (ii) coordinate the implementation of their rights and duties with respect to the protection and preservation of the marine environment in the SCS; and (iii) to coordinate their scientific research policies and undertake where appropriate joint programs of scientific research in the SCS.

Economy	Asian Pacific Economic Council (APEC) Economic and Social Commission for Asia and the Pacific (ESCAP)
Marine scientific research	Bio-diversity expedition in SCS (Anambas Expedition) (2002) Intergovernmental Organization for Marketing Information and Technical Advisory Services for Fishery Products in the Asia-Pacific Region Network for Aquaculture Centers in Asia Pacific South China Sea Institute for Marine Resources
Fishery	APEC Ocean and Fisheries Working Group APEC Working Group on Ocean and Fisheries Asia-Pacific Fishery Commission (APFIC) Asian Fisheries Society Sino-Vietnamese Fisheries Cooperation in Gulf of Tonkin (Beibu) South China Sea Fisheries Commission Management Southeast Asia Fisheries Development Center (SEAFDEC) Southeast Asian Fisheries Management Organization

Area	Modalities
Marine environmental protection	Coordinating Body on the Seas of East Asia (COBSEA) Coral Triangle Initiative on Coral Reef, Fisheries and Food Security (CTI-CFF) Partnerships in Environmental Management for the Seas of East Asia (PEMSEA) UNEP Regional Sea Projects
Maritime education and training	South East Asian Network of Education and Training (jointly implemented by Taiwan in 2010 and China in 2011)
Security/strategic issues	ASEAN-China Cooperative Agreements/Mechanisms ASEAN Defense Ministers' Meeting (ADMM) ADMM Plus (including eight dialogue partners namely Australia, China, India, Japan, South Korea, New Zealand, Russia, US) ASEAN Regional Forum (ARF) Council for Security Cooperation in the Asia Pacific (CSCAP) Regional Cooperation Agreement on Combating Piracy and Armed Robbery Against Ships in Asia (ReCAAP) Shangri-La Dialogue Workshop on Managing Potential Conflicts in SCS (1990)

There is compelling logic behind promoting cooperation among nations in a vast and complex region like SCS. Countries which are engaged in economic activities and cooperative initiatives together would be very unlikely treat one another in an adversarial way. What more in a region like SCS where regionalism is a growing trend and the littoral nations are engaged in various free trade agreements with one another. China and ASEAN are also engaged in a free trade area and so economically and even culturally intertwined. Trade links and people to people relations among them are so strong and have been nurtured for centuries. It would be unthinkable that any one of the parties in dispute in SCS would want to sour and sever the strong ties they enjoy over disputes in SCS. While undoubtedly the

disputes warrant serious attention and efforts to resolve in a peaceful fashion, they are not the only issue defining relations among the littoral nations of SCS.

It is therefore absolutely essential for them and other external parties with interests in SCS to put things into proper context and perspective. They should not let the situation in SCS cloud their judgment and assessment of the big picture of their overall relations and interdependence amid the prevailing environment shaped by the forces of multilateralism, regionalism and globalization.

Take the case of Malaysia which has claims in SCS. Despite having overlapping claims in SCS with three of its ASEAN neighbors, it has not stopped from engaging them in cooperative activities in the sea. Malaysia has entered into a successful joint development agreement with Thailand to develop a gas-rich area in a disputed area the Gulf of Thailand which constitutes a part of SCS. Through the establishment of a Joint Development Authority (JDA), Malaysia and Thailand conducts joint exploration and production of gas fields in the area. This is done without either party dropping its respective claim of the disputed area. In addition to this, Malaysia has also entered into an agreement to develop a joint commercial area and share fossil fuel resources with Vietnam in 1992. Malaysia and Vietnam also made a joint submission to the Commission on the Limits of the Continental Shelf, pursuant to Article 76 of UNCLOS, a notification of the claims of their extended continental shelf. Most recently, it entered into a joint commercial arrangement with Brunei in 2009 to share hydrocarbon resources in a disputed maritime area between the two.

The ability of these claimant states to set aside differences and work together in areas of mutual interest stand testimony to the importance of adapting a 'prosper thy neighbor' view in the context of promoting regionalism. They also show the way to others in placing the greater common good above narrow nationalistic interests in creating peace, stability and prosperity. Other claimant states in SCS would do well to emulate the examples set by these nations in the joint agreement modalities in which they are engaged to ensure peace prevails in the sea.

It is not a matter of coincidence that despite Malaysia, Brunei and Vietnam having competing claims in SCS, they do not take an adversarial position towards one another over the matter. One is tempted to make a correlation between this and the fact that they are engaged in cooperative agreements in SCS. This lends currency to the premise of this paper that nations which can put aside their disputes and work together in areas of common interest will not tend to act in a hostile manner towards one another.

It is worth pointing out that in the case of claimant states which are members of Association of South East Asian Nations (ASEAN), they are inextricably bound by the Treaty of Amity and Cooperation (TAC) signed in 1976 that propagates the settlement of disputes among them via peaceful and diplomatic means. This also helps keep put them in check in managing their claims and disputes in SCS.

Together with China, ASEAN claimant states have also agreed on a set Declaration on the Conduct of Parties in SCS (DOC) that promotes cooperation and peaceful the settlement of disputes in SCS among them.⁷ However, the DOC, a mere political, non-binding document, has not been proven to be effective in preventing confrontations in SCS and promoting unity among the claimant states. This is despite DOC containing a pledge by ASEAN and China to not use force to settle sovereignty disputes and to engage in confidence building measures.⁸ Efforts to upgrade the DOC to a binding Code of Conduct have stalled,⁹ no thanks the lack of cohesion among ASEAN members and China's refusal to discuss the disputes via multilateral means.

Testimony to the merit of having a formal arrangement to facilitate cooperation and joint efforts among nations in SCS, China has launched a China-ASEAN Maritime Cooperation Fund in August 2012 to facilitate cooperative efforts in areas of practical cooperation in the maritime realm.¹⁰ Announced by China's Premier Wen Jiabao during the 14th China-ASEAN summit in Bali in Nov 2011, the 3 bil. Yuan fund is meant to expand "practical maritime cooperation" and establish a "maritime connection network" between China and ASEAN.¹¹ It underscores China's intention to promote maritime cooperation with ASEAN in areas such as promoting navigation safety, fighting transnational crime such as smuggling and trafficking, managing fishery resources, conducting marine scientific research and undertaking search and rescue.

Such an initiative will always invite skepticism but should be seen as a gesture of goodwill and an encouraging sign that there is genuine interest to promote maritime cooperation. If used effectively to fund cooperative measures between China and ASEAN, there is little doubt that the fund will go a long way towards easing tension in the sea and create mutual trust and understanding among the claimant states.

⁷ At the 8th ASEAN Summit, 4-5 November 2002, the following were agreed : (i) Joint Declaration of the Leaders of ASEAN and Japan on the Comprehensive Economic Partnership; (ii) Framework Agreement on ASEAN-China Comprehensive Economic Cooperation; (iii) Memorandum of Understanding on Agricultural Cooperation between the Chinese Ministry of Agriculture and the ASEAN Secretariat; (iv) Joint Declaration of ASEAN and China on Cooperation in the Field of Non-Traditional Security Issues; and (v) Declaration on the Conduct of Parties (DOC) in the South China Sea.

⁸ In the DOC, China and ASEAN member states recognized the need to promote a peaceful, friendly and harmonious environment in the SCS for the enhancement of peace, stability, economic growth and prosperity in the Asia-Pacific region. They also concurred that cooperative activities would be explored or conducted, and consultations and dialogues would be continued between them.

⁹ This is done through a China-ASEAN Joint Working Group to Implement the DOC.

¹⁰ Promoting maritime cooperation is one of several strategies initiated by China to foster closer ties with ASEAN. The others include : (i) Implementing China-ASEAN Free Trade Area (CAFTA) agreements to promote trade and investment; (ii) Establishing China-ASEAN committee on connectivity cooperation and quicken infrastructure development projects; (iii) Deepening and enhancing financial cooperation; (iv) Advancing cooperation in science, technology and sustainable development; and (v) Enhancing cooperation in social areas, education, training, disaster management, humanitarian assistance and healthcare.

¹¹ Xinhuanet.com (2012, August 5). 'China to promote maritime connectivity with ASEAN'. Retrieved 2012, August 1 from <http://news.xinhuanet.com/english/china/2012-08/05/c_131762568.htm>

Towards creating peace, stability and prosperity in SCS

The following are measures that can be taken that can hopefully lead to the cooling off of the political temperature and avoidance of conflict in SCS. This would provide the kind of conducive environment towards creating long-lasting peace, stability and prosperity in SCS.

- i. Cease taking any actions (for example occupation, stationing of naval ships, exploitation of resources and construction activities in occupied features), or making statements that can add to the tension in SCS. This is essential before a conducive environment for cooperation among the claimant states can be created.
- ii. Promote dialogues and discourse on SCS among littoral nations and other stakeholders through organizing workshops, seminars and conferences on SCS. In this regard, several institutions and governments in littoral nations of SCS have held a series of such gatherings over the years. Such effort must be sustained and enhanced; 'jaw-jaw' engagement prevents conflict and is of course much preferred than 'war-war'. There is much value in track two efforts, or at the 'track 1.5' level, where informal discussions can be carried out and participants can speak freely without fear or favor. Such an environment can lead to free flow of discussion that can help unpack fresh ideas and views that can be useful to policymakers and advance the agenda of creating peace, stability and prosperity in SCS. By continuing to engage with one another, scholars and policymakers can develop a good understanding of the views, aspirations and concerns of other parties. The understanding built through dialogues and exchange of views and ideas may hopefully lead to trust and respect, which can act as a buffer against suspicion, adversary and hostility.
- iii. Implement and adhere to the guidelines of the DOC. The agreement reached between ASEAN and China to work towards achieving this at the ASEAN Summit in Bali in July 2011 is a step in the right direction to guide the 'behaviors' of claimant states in SCS in a way that preserves peace and stability in the sea. A decade has passed since the signing of DOC in 2002 without much progress until the ASEAN Summit in Bali, which says a lot about the ineffectiveness of the DOC in preventing standoffs in SCS and rein in the conducts of its signatories. Despite the glacial pace of the progress, they must not wane in their commitment to implement the guidelines of the DOC and subject their conduct to be governed by the DOC.¹² This will provide the

¹² In July 2011, China and ASEAN reached an agreement on the Guidelines for the implementation of the DOC. At the 18th ASEAN Regional Forum on 23 July 2011 in Bali, Indonesia, the participating Foreign Ministers welcomed the finalization and adoption of the Guidelines and considered it "a milestone document" between ASEAN member countries and China. Also agreed at the meeting were the following : (i) the implementation of the DOC should be carried out in a step-by-step approach in line with the provisions of the DOC; (ii) the Parties to the DOC will continue to promote dialogue and consultations in accordance with the spirit of the DOC; and (iii) the implementation of activities or projects as provided for in the DOC should be clearly identified.

springboard to elevate the DOC to a more binding Code of Conduct in SCS between them, when the political environment is right and when there is enough level of trust and confidence among the parties involved.¹³ The small gains made must be followed up with more efforts in order to ensure earlier efforts to promote China-ASEAN unity and avoid conflict in SCS among the claimant states do not go to waste. The commitment reiterated by China and ASEAN to make good use of the established China-ASEAN Maritime Cooperation Fund and to promote the comprehensive implementation of the DOC and advance pragmatic cooperation in SCS should be steadfastly realized.¹⁴

- iv. Agree quickly on a conflict prevention mechanism in SCS. It has been suggested that the COC should include a conflict prevention mechanism; which the DOC lacks. However, given that there is little indication thus far that China will agree to such a binding code, it would take an optimist to expect such mechanism to be realized through the COC. An alternative would be to establish a mechanism to prevent incidents at sea, such as the Prevention of Incidents at Sea Agreement (INCSEA) signed between the Malaysian and Indonesian navies in 2001 which was effective in preventing a naval conflict between them in Sulawesi Sea in 2009.¹⁵
- v. Restore ASEAN unity that was shaken by the failure of the grouping to issue a joint communiqué on SCS at the ASEAN Ministers Meeting (AMM) in Phnom Penh in July 2011. Accusations of China driving a wedge among ASEAN members through exerting its influence on Cambodia, the current ASEAN Chair aside, ASEAN must show greater resolve to exert its authority on disputes in SCS, a body of water which is essentially in its backyard. ASEAN must also learn to deal with a rising China and balance its interests in SCS with those of China and external powers. A disunited ASEAN would only result in these powers acting assertively and making things more complicated than they already are at the expense of ASEAN's own interests. Without ASEAN centrality in the regional security architecture and in regional cooperative efforts to promote peace, stability and prosperity in the area, it is doubtful if such efforts can be successful.

¹³ Not many would hold their breath though that China would dramatically change the way it conducts itself in SCS even if it agreed to implement the Guidelines of the DOC. Fewer would place bets on Beijing agreeing to a legally binding Code of Conduct anytime soon, judging from its continued insistence of not wanting to discuss the SCS disputes through multilateral means and its recent conducts in SCS such as during the Scarborough Shoal stand-off with the Philippines in June 2012.

¹⁴ This was agreed at the 4th ASEAN-China Senior Officials' Meeting on the Implementation of the DOC. At the same meeting, it was also agreed that the 5th ASEAN-China Senior Officials' Meeting on the DOC and the 8th ASEAN-China DOC Joint Working Group Meeting will be held later in 2012.

¹⁵ While INCSEA could not prevent the naval standoff between the two navies, it is worth pointing out that the incident happened in contested waters. Credit must be given to the restraint shown by the two navies to avert a conflict under such high pressure circumstances, thanks to the guidance of the INCSEA which prevented the escalation of the tense situation. The agreement contains concrete rules and regulations regarding the safe distance that must be kept between ships encountered and bound both sides to agree to avoid dangerous actions in their naval operations.

- vi. Seek settlement of disputes among claimant states in SCS on a multiple platform. Both multilateral and bilateral avenues must be fully explored, the latter especially among adjacent littoral states of SCS, based on international law and principles. Options such as mediation, arbitration or bringing up cases to the International Court of Justice (ICJ) (in cases involving territorial disputes) and International Tribunal on the Law of the Sea (ITLOS) (in cases involving overlapping maritime claims) must be considered as well.

- vii. Engage external powers in a constructive way to ensure that their involvement in the disputes in SCS is objective and non-partisan. In this regard, ASEAN must hold the United States accountable to its position of not supporting the claims of any parties in SCS and to uphold internationally cherished principles such as seeking peaceful resolution of disputes and maintaining freedom of navigation in the sealanes. It would not help if ASEAN nations – individually or collectively – take a position that would antagonize the powers with interested in SCS in such a way that it would undermine peace, security and prosperity in the region. ASEAN must up the ante in its diplomatic dealings with the powers and maintain the equilibrium of power among them and not play off one against the other. It must exert its regional clout and centrality and not let the geostrategic and security architecture in its own backyard be determined by others. For the claimant states, there could well be merit in enhancing their capacity to exert national sovereignty of their EEZ lest their weakness to do so invite other powers to become assertive and in turn invite the involvement of other powers in the fray.

- viii. Avoid conducting the discourse of disputes in SCS using ‘megaphone diplomacy’. While it is observed that several nations in the dispute have taken to the media and public galleries to articulate their positions – presumably to satisfy the urgings of certain domestic camps and to score political points – this approach may lead to the opening of cans of worms and unleash sentiments which may prove difficult to contain later. The unbecoming mob attack on the car of the Japanese Ambassador to China – albeit resulting in only a torn flag on the car – over the conflict of the Senkaku-Diaoyu Island between Beijing and Tokyo,¹⁶ underscores the potential of ugly incidents emerging from public protestations over maritime disputes.

- ix. Focus on cooperating in areas that present ‘low hanging fruits’ ripe for picking, for example in environmental protection; fishery management; humanitarian assistance / disaster recovery; marine tourism; natural disaster early warning; navigation safety; and search and rescue. Working together in these fields do not present much bureaucracy and national sensitivities owing to the fact that they do not involve sovereign rights and sovereignty but more day-to-day needs that should cut across narrow national interests. To think outside the box a bit,

¹⁶ The Guardian (2012, August 27). ‘Japanese flag torn from ambassador’s car’. Retrieved on 2012, August 27 from < <http://www.guardian.co.uk/world/2012/aug/27/japanese-flag-ambassador-car-beijing> >

efforts can also be made to create marine peace parks,¹⁷ marine heritage areas or marine biodiversity corridors in SCS which have been done elsewhere. Also worth considering are undertaking real estate projects like the famous Jumeirah Palm Island off the coast of Dubai, venturing in joint aquaculture projects and promoting cross-border marine tourism and yacht/regatta races in SCS. Succeeding in cooperating in these areas and ventures will provide the impetus and confidence among the claimant states in SCS to work together on more ambitious activities such as preventing smuggling and trafficking; combating piracy and terrorism; and exploring and producing offshore energy in the sea.

- x. Explore new modalities and creative ways to facilitate functional cooperation in areas of common interests and areas identified earlier. In these challenging times, any new ideas, no matter how radical, should be considered to break the impasse among the parties in dispute and to foster cooperation among them. One such proposal is to 'bundle' all claims and counter-claims to an external authority, such as ICJ or ITLOS, to seek resolution with an understanding to abide by any decision.¹⁸ Another one is to adapt the 'Antartica solution' by declaring the entire SCS as a no-go for naval, merchant and oil/gas exploration vessels of all kinds for a certain period.¹⁹

The voyage ahead

It is essential that the protagonists in the SCS drama not lose sight of the big picture. While it is of course a matter of everyone's concern that the disputes resulting from overlapping claims have created tension in the sea and can trigger a series of actions and reactions that may lead to conflict, one has to be mindful that the region is generally a conflict-free one. Nations here have become so interdependent, especially economically. ASEAN, a decidedly democratic region, has even opened up its doors to accept new members with socialist leanings. It is also serious in attaining economic and regional integration through the ambitious ASEAN Economic Community project. China's growth as an economic power has been warmly embraced by ASEAN members whose economies have benefited tremendously from it, although its rise has also given rise to concerns of its assertiveness, as seen in its conduct in SCS.

¹⁷ Examples include : (i) the Red Sea Marine Peace Park Cooperative Research, Monitoring and Management Program (RSMPP) in the Gulf of Aqaba, jointly undertaken by Jordan, Israel and the United States. The objective of RSMPP is to protect the valuable coral reef ecosystem that attracts large numbers of visitors and control coastal development in the cities of Aqaba in Jordan and Eilat in Israel; and (ii) Marine Peace Park in the Western Transboundary Coastal Area of the Korean Peninsula.

¹⁸ This was the approach taken by Malaysia and Singapore which went to ICJ to settle their claims of sovereignty over Pedra

Branca/Pulau Batu Puteh, Middle Rocks and South Ledge, features in the South China Sea.

¹⁹ This idea was proposed in Till, G. (2010). South China Sea : Just waiting for the breeze? Paper presented at the International Workshop on the South China Sea : Cooperation for Regional Security and Development. Hanoi : November 26-27, 2009.

No doubt the vastness and complexity of the SCS, and the history of the region, presents an array of geostrategic and geopolitical challenges for regional players to face and overcome. On top of that, the interests of external powers and the international community should not be dismissed by the littoral states. In light of growing interests of external powers in the region, as underscored by the 'pivot to Asia' and rebalancing strategy of the United States in this region, SCS littoral nations have to accept the fact that there are interests in the sea beyond theirs. The external powers also have friends and allies in the region, as do regional powers. As such, it would not be wise to antagonize them by taking sides in the disputes which could lead to polarization of the area.

This is the last thing a vast area like the SCS region needs. At a time when the regional countries need to pull together to pursue economic prosperity, social stability, political openness and security, they do not need any incident that could split them apart. In the context of globalization and liberalization, and the regional players actively pursuing regionalism and integration, as underscored by the ASEAN Economic Community project²⁰ and free trade agreements among them, splitting hairs over disputes in SCS is completely going against the grain of these trends.

Regional powers must exercise their power in a responsible manner. They should not act in a way that would be branded by smaller nations as bullying. External powers must also tread carefully in this area in which they do not have any claims and not drive a wedge among the regional nations. Any policies with regard to SCS announced by the external powers – for example the 'pivot to Asia' policy - must be clearly explained and articulated in order to avoid any confusion and fears that such policies are out to 'contain' others and drive the SCS littoral nations to take sides between the powers.

The powers would do well to appreciate that ASEAN is a work in progress and is still evolving economically, politically, socially and strategically. It is still an area in flux and in search for a regional identity and in the process of constructing a certain order. Although ASEAN has been around for almost four decades, there are existing dynamics and those emerging and looming in the horizon that will challenge the way it does things as a multilateral grouping.

The involvement of external powers in disputes in SCS should be constructive and limited to capacity building and seeking peaceful resolution to disputes. Under no circumstances should they interfere in the regional affairs in a way that create camps, marginalize and demonize certain parties, and drive a wedge among regional nations. Especially needed at this time is support from the external powers to help

²⁰ ASEAN envisions the ASEAN Economic Community to be realized by 2015. This unified regional community will result in the free movement of goods, services, capital and labor within South East Asia and boost its economic competitiveness by consolidating the economies of the ASEAN members into a single market and production base. The initiative is also meant to integrate the South East Asian region better with the global economy.

ASEAN and China implement the Guidelines of the DOC and work towards agreeing on a binding Code of Conduct. This is warranted in light of China's continued refusal to engage ASEAN on the disputes and discuss them on a bilateral basis. Collective diplomatic pressure may well be needed to check any acts of creeping assertiveness and aggression that can be detrimental to peace, stability and prosperity in SCS.²¹

While no doubt they need to build strategic alliances with external and internal powers to safeguard their interests, they should be allowed to grow at their own pace and build competency and confidence to take charge of regional affairs. An ASEAN which is weak and does not have a say in the regional strategic and security construct will be of no good as an ally to any power. Inevitably, any regional architecture and initiatives that does not feature ASEAN centrality, especially in SCS which is in large parts on ASEAN's home turf, will not stand on firm foundation and will not be effective.

It is absolutely crucial for all parties involved in the disputes in SC and the external powers to not lose sight of the macro view. It would be all too easy to paint a pessimistic picture of the prospect of peace in SCS given recent events and current tense situation in the sea. ASEAN and China especially must not continue to let their differences fester and must quickly capitalize on earlier gains – for example their agreement to implement the Guidelines of the DOC - and commitment to work together in areas of cooperation in the sea to restore trust and confidence between them which has somewhat been eroded by the situation in SCS.

There is no doubt that the path towards creating durable peace, stability and security in SCS is long, arduous and challenging. It will require tremendous amount of patience, stamina and tolerance, and diplomatic skills of the highest levels. But the parties concerned must remain steadfast and not waver in their commitment in seeking peaceful resolution to their disputes. The government officials and policymakers owe it to their people and future generation not to allow tension in SCS to escalate and get out of hands. They must take into consideration the views and perspectives of others and weigh the suggestions made through non-official channels such as in the academia and track-two discourses on moving the SCS agenda forward.

All said, there must be a mindset change from immovable, nationalistic positions in asserting sovereignty and the softening of 'talk and take' or 'what's mine is mine, what's yours we can discuss' positions to a more accommodating, tolerant tact. Parties in dispute in SCS must realize that in the seas lies their collective fate and interests, hence they must work together and engage in cooperative initiatives to

²¹ That said, there are scholars who feel that the bilateral way is the way to go to resolve territorial disputes in SCS. This is based on their belief that the issue of sovereignty is closely linked to nationalism and can easily stir sentiment among the public that can put pressure on governments embroiled in disputes to talk and act tough. See for example Shen, H. (2011), South China Sea Issue in China-ASEAN relations : An alternative approach to ease the tension. In Yeow, E. K. & Ngeow, C.B. (2011), *International Journal of China Studies*. 2(3), December 2011 : 597.

turn around the current situation that threatens their unity. This is absolutely essential in ensuring that peace, stability and prosperity prevails in SCS for the good of all.

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Prospect for "Shelving Dispute and Joint Development":

A Vietnamese Perspective¹

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Abstract

Since the 1990s, "Joint Development" have become one of the major trends of international practice in managing maritime disputes. There have been successful practices in over the world on joint development. In the East Sea² in particular, Joint Development activities have been carried out among countries, such as the case of Joint development on hydro-carbon resources between Thailand and Malaysia, Joint development on hydro-carbon resources between Vietnam and Malaysia... The countries in the region have made efforts to establish an atmosphere of cooperation in the region. However, recently, the East Sea issue has become the focus of international discussion with the aim to find out proper solution among concerned parties. One of the suggestions was to create "Joint Development Zones". In the past several decades, the Chinese leader also put forward the principle of "shelving disputes and seeking joint development". The China' proposal suggested that the claimant States should put aside the dispute and create joint development. As noted by China, this could be considered as an initiative to contribute to the settlement of the differences among the countries in the regions. However, this proposal has raised several questions need to be discussed and find the proper solutions such as: 1) how to define the areas for joint development; 2) how to shelf the disputes and 3) how to joint development. There has been debates and discussions to the "suggested solution" to stimulate regional cooperation although the concept of "Joint Development Zones" is not a new concept. With the aim to contribute to the discussion about the issue, the paper will focus on examining the positive elements and obstacles to the implementation of "Shelving Dispute and Joint Development Zones". It will also examine the already successful practices on joint development among the countries in the region to assert whether existing models will be appropriate for joint development in the East Sea. Finally, the author try to figure out whether the Claimant States can use the dispute settlement mechanisms under 1982 United Nations Convention on the Law of the Sea (UNCLOS or 'the Convention') as a constructive measure for "Shelving disputes and create Joint Development Zones". .

1. The for and against for Joint Development Zones (JDZ) in the South China Sea

The idea of shelving the disputes and creating JDZ have so far share among the coastal states because it will help the claimants agreeing to put aside the questions of sovereignty and cooperate in joint resource development in the disputed area. The

¹ The views expressed herein are those of the author and do not necessarily reflect the views of the Government of Vietnam. Please do not quote if no permission from the author.

² It is called South China Sea by international community. In this paper the author will use the word "South China Sea" as often preferred to internationally.

question, however, is there is still little agreement among the claimants as to how this cooperation would work and as to where exactly the joint operation would actually occur. Regarding to the South China Sea, there have been both favourable and unfavourable conditions to the process of making the idea to come into being. They are worth mentioning as follows:

1.1 The positive elements

After the Cold War, through the joint efforts of countries in the area of the South China Sea, peace and stability has been maintained in the region, thus creating an excellent atmosphere for regional cooperation between China and ASEAN countries and also others. At present, the process of regional integration in East Asia has moved a step forward and the regional countries have improved their relationships with each other. Consequently, it is undeniable reality that the joint exploitation and cooperation between the littoral states in the zones of disputes in the South China Sea has been objective based on the following reasons:

It is so complicated and not easy to come to the immediate solutions for the disputes among the claimants for the time being. The reason is that the South China Sea has been considered as one of the areas where potential conflicts exist with the most complicated disputes among the concerned parties. It could be named here as such: overlapping claims to the continental shelf or the exclusive economic zone (EEZ); the expansion of the EEZ beyond 200 miles, the issues of the Paracel and Spratlys islands, the issue of 9 dotted lines (U-shaped) issued by China. Consequently, the claimant states feel difficult to either take the case to the International court of Justice or the International Tribunal for the Law of the Sea (ITLOS) or to have directly bilateral negotiation. That is why, Joint exploitation and cooperation could be seen as a way to create a "common zone" which could be for mutual benefit if the interested countries have the will to set aside the formidable issue of delimitation for a while in favour of prospective economic profits to accrue from a provisional compromise settlement. It is also possible that they may defuse their tense relations by

such a provisional measure for at least a certain period of time³. As Thomas A. Mensah has put it “Joint development zones are established either because the parties find it difficult or impossible to agree on a single boundary between them or because the resources straddle the agreed boundary in such a way that it is not feasible for the resources to be exploited effectively and equitably by the individual States acting alone”⁴.

- JDZ could be one of the measures to gradually ease the tension that could potentially lead to conflict in the South China Sea. In reality that although there have been continuously strive from the regional countries and also international community to prevent the conflicts from happening, regional situation has not yet been stable, thus creating challenges to peace and development due to existing risks of escalation from small incidents to military clashes or arms conflicts due to military build up in the region. The main reason is that there has been no mutual trust among the regional countries, especially toward the People’s Republic of China because of its recent accelerating operations in the South China Sea.

- It is important to note that the majority of the exploration and the production of regional claimants in the South China Sea is being implemented well within the exclusive economic zone of the littoral states. As the natural resource have been located in some of the overlapped areas. In the next 20 years, oil consumption in Asian nations is expected to rise by 4% annually, with half of this demand coming from the People’s Republic of China (PRC). If projections are correct, the demand for oil among Asian countries will be 25 million barrels per day, a rate more than double the current consumption level⁵. In addition to oil and gas deposits the area is also rich in tin, manganese, copper, cobalt, nickel and other materials. The waters around the Spratlys and Paracel islands are also rich in fish stocks. As a result, oil and natural gas considerations will fuel the behavior of claimant states in the South China Sea. That’s why, JDZ could be meant to help coastal States to proceed to the exploitation

³ Masahiro Miyoshi. *“The Joint Development of Offshore Oil and Gas in Relation to Maritime Boundary Delimitation”*. In International Boundaries Research Unit. Maritime Briefing, Durham. University of Durham, 1999. Vol.2.No.5. P. 41

⁴ Thomas A. Mensah, *“Joint Development Zones as an Alternative Dispute Settlement Approach in Maritime Boundary Delimitation”*. In Maritime Delimitation. Ed. Rainer Lagoni and Daniel Vignes. Leiden/Boston:

Martinus Nijhoff Publishers, 2006. P.147

⁵ <Global Security.org>. *“Spratly Islands”*.

<http://www.globalsecurity.org/military/world/war/spratly.htm> -

of maritime resources that either straddle their maritime boundary, or are subject to overlapping claims when there is no boundary yet. By so doing, States avoid or quickly settle disputes arising upon those resources, thus allowing for their exploration or exploitation on better delays and conditions.

- The joint exploitation and cooperation also help to protect the environment and ecological system of the area. Since the end of the Cold War and especially, at the beginning of the 2^{1st} century, it is seemed that the South China Sea has been considered as a bridge linking together the Northeast, Southeast and South Asian sub-regions given the growth of intra-regional trade, most of which transits through maritime trade routes. However, as a matter of fact, there is a reality that at present, in addition to the positive development and achievements, Southeast Asia has to deal with many challenges arising from the global economic and financial crisis, transnational crimes, climate change and diseases...Asian specialists list the following problem areas as requiring greater cooperation: piracy, smuggling, illegal immigration, transnational oil spills, incidents at sea, search and rescue, navigational safety, exchange of maritime information, illegal fishing, and management of resources in areas of overlapping claims⁶. The reasons lead to this situation could be named as several: 1) Climate change affect directly to coastal countries through increase of sea water line. That shortens the area of living land and made many household homeless; 2) Oil spills also made the sea polluted, which is caused during the process of passage of broken vessels or exploration of oils; 3) the usage of dynamite for fisheries of seamen in the coast countries leading the damage of maritime environment in the South China Sea... The environmental pollution is for the time being not yet considered as the direct cause of military conflict in Southeast Asia but it still takes part in undermining international relationships, economic development, and social welfare. That is why JDZ will be a way to promote the understanding and cooperation in the zone that no one country could singly find out the appropriate solution for the problems.

With all the above mentioned, pooling resources in a JDZ could allow all countries to effectively exploit their offshore resources. The joint cooperation in the South China Sea is the trend that meet with the regional integration and also the

⁶ Mark J. Valencia. *"Regional Maritime Regime Building: Prospects in Northeast and Southeast Asia"*. Ocean Development & International Law. No.31. 2000. P.224

common trend. However, there still some questions need to be solved owing to the obstacles to the process of shelving the disputes and creating joint development zones.

1.2 The negative factors

As we all know, the friendly relationship and cooperation among countries surrounding South China Sea has been still developing and the process of regional integration has been continuing, therefore peace and stability in the region has been maintained for quite a long time. However, the more than 200 small islands, rocks, and reefs that lie in the Spratly and Paracel Island chains in the East Sea are claimed—in part or in total—by six Asian nations⁷. There are overlapping claims to Economic exclusive Zones among the coast countries, which may lead to conflicts. There are also several questions that would have to be addressed in terms of a South China Sea JDZ because these could be the factors hindering the process.

- Different view points about the concept of “shelving the disputes and joint development zones” among the countries in the region. These differences have come from the interests of the claimants. The idea was put forth by China’s leader Deng Xiaoping several decades ago with the main idea of putting aside the issues of sovereignty and create joint exploitation zone in a spirit of “sincereness, friendship, understanding and respect each other viewpoint”. At the time when the idea was proposed by China, ASEAN indicated their hesitance because it seems there has been no common understanding about the content of the concept. For China, the primary meaning of the proposal was to put aside sovereignty disputes with the recognition of China’s sovereignty. Also, China would like to conduct joint development through bilateral negotiation not multilateral way. In addition, under these alternatives those with the most extravagant claims to the areas would be granted full participation in the JDZ while those with partial claims to the multiple claims area would be granted only limited rights. Thus, the proposal did not gain the support, but decreased political trust between China and other ASEAN claimants.

⁷ China and Taiwan both claim the entire Spratly archipelago. Partial claims have been made by Vietnam, the Philippines, Malaysia, and Brunei. The Spratlys alone extend across about 800,000 square kilometers of sea but total less than five square kilometers in land area. See <http://www.wsws.org/articles/1999/dec1999/spra-d13.shtml>

- One of the problems is that there is no agreement amongst the claimants in terms of a legitimate basis for a claim. China, Taiwan and Vietnam all base their claim on historic rights of sovereignty. The Philippines bases its claim on rights of discovery, while Malaysia and Brunei claim only those features that lie within their continental shelves. Indonesia has also been drawn into the dispute as the Chinese claim extends into its EEZ, and substantive Natural Gas fields to the Northeast of Natuna Island. Moreover, there is a considerable amount of disagreement over the appropriateness of multilateral fora in resolving the dispute.

- At the same time, the claimant states have vigorously carried out propaganda campaign about their sovereignty and sovereign rights both externally and domestically with the aim to gain support from the public opinion. As the result of those activities, the issue of South China Sea has become an emerging domestic politics, pararely the development of the nationalism in the region. The confirmation of the sovereignty and sovereign rights has been the symbol of patriotism. Whatever the legal or historical foundation has been, the people of the claimant states all believe that their countries have sovereignty entitlement either on the whole or partial South China Sea. For example, the more assertive activities conducted by China to support Chinese sovereignty, the more Vietnamese nationalism expands, thus making effective and peaceful negotiations between the two countries become more complicated and difficult to achieved. Consequently, JDZ among claimant states surrounding the South China Sea will be not feasible.

- Finally, although the countries in the region surrounding the South China Sea have constructed a multi-level framework to actively promote regional cooperation in East Asia such as ASEAN +1, ASEAN + 3 or ASEAN + 6, etc. In 2002, ASEAN members and China agreed to approve Declaration on the Conduct of parties in the South China Sea for maintaining peaceful and cooperative environment in the region. In addition, ASEAN's self-construction cannot be ignored. ASEAN has determined to build the fully completed body with political/ security community, economic community and social/ cultural community to form the "ASEAN Community" in 2015. However, there has not been yet a comprehensive mechanism for conflict or dispute settlement.

The JDZ has been so far still a controversial topics among the countries in East Asia, especially with the emphasis on the recognition of Chinese sovereignty and the undefined potential area for joint development.

2. *State practices on Joint Development in the South China Sea*

In the surrounding areas of the South China Sea, JDZ has come into being and gradually expanded rather early. The model of cooperation between Thailand and Malaysia to create joint exploitation of natural resource established in 1979 was one of the first ones.

Although there still exists territorial disputes in South China Sea, Vietnam, China, the Philippines, Malaysia and Brunei have cooperated on developing resources in this area. In October 2004, Chinese Premier paid a visit to Vietnam, putting forward an active proposal to “strengthen cooperation on South China Sea from a broader scope, transforming this tumultuous sea into a peaceful, stable, cooperative one”, which resulted in Vietnam’s positive response. Vietnam also expressed its wishes to accelerate cooperation on South China Sea with other countries in the region and speed up the process of the land border demarcation. The following was some successful practice on joint development in the region.

On 21 February 1979, a Memorandum of Understanding (MoU) on joint development was concluded between Thailand and Malaysia. An agreement on Cambodian-Vietnamese historic waters was concluded on 7 July 1982, placing a maritime area under a joint utilisation regime. Before concluding the agreement on their maritime boundary in August 1997, Thailand and Vietnam had also discussed the possibility of joint development for their overlapping claims area. Additionally, Vietnam and Malaysia applied the same principles in their MoU of 5 June 1992 instituting a joint exploitation regime for a “*Defined Area*” in the Gulf of Thailand. Finally, in 1999, Vietnam, Thailand and Malaysia agreed in principle on joint development for a small overlapping area⁸.

On June 1992, Vietnam and Malaysia concluded the assignment agreement to provide for the joint development of hydro-carbon resources between PETRONAS

⁸ Nguyen Hong Thao. “*Joint Development in the Gulf of Thailand*”. IBRU Boundary and Security Bulletin Autumn 1999. P. 79

and Petrovietnam in the overlapping continental shelf between the two countries. This arrangement is considered as one of the most successful practice in terms of the good will and flexibility that the two have devoted in negotiation process as well as the profitable outcome of the joint development.

On March 14th, 2005, China, the Philippines and Vietnam signed the historical document” Tripartite Agreement for Joint Marine Seismic Exploration Agreement”. This agreement stipulates that the Philippines State Petrol company, CNOOC and Vietnam oil & gas company will concentrate their resources to cooperate together, deal with the two-dimensional seismic wave, and collect quantitative two-dimensional and three-dimensional seismic data in areas mentioned in the agreement, which amounts to over 140 thousand square kilometers. The tripartite agreement proved the feasibility of joint exploration in the South China Sea, paving way for the future common development.

These agreements have put the region at the forefront of the application of joint development arrangements, not only within the East Asia but other parts of the world.

3. UNCLOS and the possibilities to contribute to the Joint Development Zones

It will be useful to find out what laws, if any, will guide and manage the South China Sea differences in advance of reviewing the claim of the claimant states. In 1982, the U.N. adopted the United Nations Convention on the Law of the Sea (UNCLOS) in an effort to peacefully settle disputes over maritime issues. It is clear that all claimants in the South China Sea have both signed and ratified UNLOS, which was ready for signature in December 1982 and entered into force in 1996 when the 60th country ratified it. Besides, all documents concluded in the context of ASEAN members on the South China Sea call for adherence to international law, including the 1982 UNCLOS. Those documents include the 2002 Declaration on the Conduct of Parties in the South China Sea, to which China, as well as all ASEAN states, is a signatory. The Declaration refers twice to the “universally recognized principles of international law, including the 1982 UN Convention on the Law of the Sea”. The Southeast Asian claimants have recently brought their claims closer to the requirements of the 1982 UNCLOS. In March 2009, the Philippines passed legislation that adjusts its archipelagic baselines so as to conform to the 1982 UNCLOS and, explicitly cited Article 121 of the Convention proclaiming a “regime of islands” for the land features in the South China Sea. The May 2009 joint submission by Malaysia

and Vietnam of their extended continental shelf to the UN Commission on the Limits of the Continental Shelf projects their continental shelf from their mainland and not from the land features that they claim in the South China Sea. Vietnam recently enacted its maritime law providing for the supreme effect of international law over the domestic provisions. Brunei Darussalam and Malaysia also seem to have settled their overlapping claims to a part of the South China Sea. Vietnam and the Philippines, in the joint communiqué issued during the Vietnamese President's visit to Philippines (26-28 October, 2011), stressed the importance of maintenance of peace, stability, maritime safety and security in the region as well as the need for a rule based approach adhering to international law, especially the 1982 UN Convention on Law of Sea and a multilateral dialogue among the parties concerned.

Although there has been debates and discussion about the some parts of the Convention, up to now, UNCLOS has remained the most recognizable worldwide document to be mentioned when regarding maritime disputes. Within UNCLOS, three articles are generally recognized as being most suitable to the disputes among the countries surrounding the South China Sea. As part of the State practice on provisional arrangements, joint development zones are governed under articles 74(3), 83(3) and 123 of the UNCLOS. As mentioned in the Article 123 "States bordering an enclosed or semi-enclosed sea should cooperate with each other in the exercise of their rights and in the performance of their duties under this Convention. To this end they shall endeavour, directly or through an appropriate regional organization:

(a) to coordinate the management, conservation, exploration and exploitation of the living resources of the sea;

(b) to coordinate the implementation of their rights and duties with respect to the protection and preservation of the marine environment;

(c) to coordinate their scientific research policies and undertake where appropriate joint programmes of scientific research in the area;

(d) to invite, as appropriate, other interested States or international organizations to cooperate with them in furtherance of the provisions of this article⁹.

The South China Sea is widely recognized as a semi-enclosed sea, therefore, the littoral states should demonstrate their good will to cooperate in the above-mentioned

⁹ UNCLOS 1982

areas as specified in Article 123. Such cooperation would be a good way to build trust and pave the way for joint development in the overlapping maritime zones.

UNCLOS also refer to the obligations of members to reach provisional measures while pending for dispute settlement as mentioned in Article 74(3) and Article 83(3): Pending agreement, the States concerned, in a spirit of understanding and cooperation, shall make every effort to enter into provisional arrangements of a practical nature and, during this transitional period, not to jeopardize or hamper the reaching of the final agreement. Such arrangements shall be without prejudice to the final delimitation. Joint development is well considered as one of the provisional measures with in the wording of these provision and thus reaching joint development would help the claimant to fulfill their treaty obligation under UNCLOS.

Finally, Part VIII of UNCLOS, entitled the “Regime of Islands,” deals with certain issues regarding the definition of islands. Specifically, Article 121 states, “Rocks which cannot sustain human habitation or economic life of their own shall have no exclusive zone or continental shelf.”¹⁰. This has been a particularly important article in the South China Sea dispute and was used by several countries to justify attempts to build structures on submerged rocks and reefs in order to establish a new EEZ in the region. By applying this article in good faith, the claimant could not only bring their claims into conformity with international law, but also narrow down and clarify the overlapping claims. Such an effort would help to define the area that potential for joint development.

Overall, UNCLOS is a helpful instrument for beginning discussions of sovereignty among South China Sea claimant states. Indeed, it is essentially the only document - signed by all six countries—that addresses issues related to the dispute in general and facilitate the reaching of joint development in particular.

With all the mentioned above sections, we could come to a conclusion that Joint development and management zones have so far played a useful role in managing maritime dispute. Joint development is the only feasible solution for the South China Sea dispute in the short terms while pending for final settlement. Joint development,

¹⁰ United Nations. *United Nations Convention on the Law of the Sea*. Part 2, Section 2, Article 3. December 10, 1982. http://www.un.org/Depts/los/convention_agreements/texts/unclos/unclos_e.pdf. P. 66.

however, only feasible if the claims of all parties are equally recognised and shelved. In addition, in order to reach joint development, the parties concerned should base on international law, in which UNCLOS is a vital treaty, to clarify their sovereignty and maritime claims.

Balancing the Regional Maritime Power of the Indian Ocean and Indonesia's Strategic SLOCs

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In the geopolitical and geostrategic perspectives, the sea is an extremely vital media for national strength, the construction of military bases, submarine tracks, and warships, as well as the arena of struggle for political, defensive and economic influence.

The Indian Ocean bears the imprint of that great, proselytizing wave of Islam that spread across the longitudes from its Red Sea base to India and as far as Indonesia, spanning almost 4,000 miles. A map of these seas is central to a historical understanding of the Islamic faith and the history of war caused by religions, resources and trades.

In ancient Sanskrit literature, the Indian Ocean is known as Ratnakara, which means "the maker (creator) of jewels". The Indian Ocean is the third largest of the world's oceanic divisions, covering about 20% of the water on the Earth's surface.

The Indian Ocean provides major sea routes connecting the Middle East, Africa, and East Asia with Europe and the Americas. Sea Lines of Communications (SLOCs) in the Indian Ocean came into prominence in the 90s when forces of globalization sparked a process of huge economic growth that resulted in increased consumption and competitive trade, creating an upsurge in oil demand in both developed nations and developing economies. Covering an area of 73,556,000 sq km, the Indian Ocean is important for a multitude of reasons. Firstly, 40% of seaborne crude oil passes through the Strait of Hormuz at one end of the Indian Ocean. Secondly, 50 % of the world's merchant fleet capacity is hosted at the Strait of Malacca (SOM).

Moreover, 90 % of global commerce and two thirds of all petroleum supplies travel by sea. In addition, the Indian Ocean accounts for one half of the entire world's container traffic. Furthermore, the Indian Ocean rim land from the Middle East to the Pacific accounts for 70 % of the traffic of petroleum products for the entire world. Lastly, the world's energy needs will rise by 50% by 2030, and almost half of that energy consumption will come from India and China.

The Indian Ocean is strategically important mostly because it contains a considerable amount of oil. It is also one of the major routes of oil transport. These two facts make the Indian Ocean the area where interests of regional as well as extra-regional powers overlap each other, specifically to secure their control over the oil supply. To achieve that interest, regional and extra-regional powers of the Indian Ocean have been projecting their military, especially maritime, power into the region.

According to an estimate, the Indian Ocean produces no less than 40% of the world's oil. In 2008, India's production capacity of oil was 889.7000 barrels per day (bpd). The number decreased in 2009 to 878.000 bpd, but increased to 920.000 bpd in 2010. The largest percentage of Indian oil production comes from off-shore oil drilling facilities, including Mumbai High (250.000 bpd) and Panna, Mukta, and Tapati

(amounting to 43.000 bpd in total). India, however, has also been operating on-shore oil drilling facilities, producing considerable amounts of oil. One of the major on-shore oil drilling facilities of India is at the site of Assam producing no less than 5 million tonnes of oil per year.

Although it produces quite a lot of oil, India still relies on imports to satisfy its domestic demand. In 2008, India's domestic demand for oil reached 2.962.000 bpd, rising to 2.835.000 bpd in 2009 and 2010. This increase in demand corresponds to Indian's progressive economic growth. Currently, about 75% of its oil needs are satisfied by the Middle East: Saudi Arabia is the primary supplier of oil to India, providing no less than 25% of the oil India consumes every year (equivalent to 25 million tonnes per year) and Iran is the second largest supplier, providing India with 17% of the oil it consumes every year.

Indian dependence to the off-shore oil drilling facilities surely contributes to its strategic and security vulnerability. It becomes an incentive for India to enlarge and modernize its maritime capabilities. These capabilities are surely required to ensure the security of Indian off-shore oil drilling facilities. In addition, the fact that a significant portion of Indian oil consumption is satisfied by imports from Middle East also compels India to develop its maritime capabilities and project it in Indian Ocean. A strong maritime capability is surely needed by India to secure oil transport route from the Middle East and Iran passing through Western Indian Ocean.

The second strategic importance of the Indian Ocean is its role as a major route of world oil transportation. Currently, the volume of oil passing through the Indian Ocean reaches 70% of the total oil transported in the world.[This will become clearer when world oil consumption increases to 50% in 2030, when India and China will contribute to almost half of world oil consumption. Again, this substantial amount of oil is transported through the Indian Ocean, increasing its strategic importance. India—soon to become the world's fourth largest energy consumer after the United States, China and Japan—is dependent on oil for more than 90% of its energy needs, and 90% of that oil will soon come from the Persian Gulf by way of the Arabian Sea. Moreover, before 2025, India will overtake Japan as the world's third largest net importer of oil after the United States and China.

There is even more at stake for China. China's demand for crude oil doubled between 1995 and 2005, and will double again in the coming decade or two, as it will import 7.3 million barrels of crude oil per day by 2020. More than 85% of that oil will travel across the span of the Indian Ocean through the Strait of Malacca.

The military aspect of the Indian Ocean's strategic importance is evident by the military presence of three regional as well as extra-regional nuclear powers in that region: USA, China, and India. Indeed, as noted by Robert Kaplan, the Indian Ocean is where rivalry between United States and China in the Pacific interlocks with the regional rivalry between China and India.

Military power projection of these three states can be observed on distribution of their military and naval bases in the Indian Ocean. The United States' military base in the Indian Ocean is Diego Garcia, which is co-managed by Britain. Meanwhile, China is developing a number of bases, military as well as dual-function port facilities, in the

Indian Ocean. These bases include refuelling stations in Gwadar (Pakistan), Hambantota (Sri Lanka), Chittagong (Bangladesh), and Sittwe (Myanmar). Ports and refuelling stations that China is developing in the Indian Ocean is part of its string of pearls strategy. Through this strategy, China aims to keep its eyes on the security of oil transport passing through the Indian Ocean to China. Indian military bases in the Indian Ocean spread from Mumbai, Karwar, Kochi, Visakhapatnam, to Port Blair in Andaman Island. Moreover, India is maintaining some listening stations in Seychelles, Madagascar, and Mauritius.

The history of the reestablishment of China's trade and economic aspects during Admiral Zheng He in the 13th century is repeated today in the BRICs era, when all vessels travelled from Qing Dao to Ponta da Madeira within no more than 36 days. This means that the Indian Ocean and regional SLOCs on Indonesian maritime zones is getting increasingly busier.

The Indian Ocean consists of some of the most critical sea lanes and choke points connected to one of Indonesia's most important SLOC, The Malacca Strait. As the ocean becomes the highway of international trade, it inevitably leads to rivalries between countries for dominance of key trade routes and choke points.

Therefore, Indian Navy assessments and mission has presented the Indian Navy as the 5th largest maritime force in the world. The Indian Navy have now adopted an aggressively competitive strategy aimed at developing a credible nuclear deterrence, pursuing littoral warfare and dominating the Indian Ocean and its surrounding regions. It aims to extend its blue water deployment and area of responsibility to project India's diplomatic military and maintain noticeable capability in the eastern SCS as a political counter to China's growth. India's primary area of maritime interest ranges from the Gulf to the Antarctica. It also covers the zone extending from the Cape of Good Hope and the east coast of Africa to the Strait of Malacca and the archipelagos of Malaysia and Indonesia as stated by Admiral Suresh Mehta, the Chief of Naval Staff, in February 2007.

To cater to the changed realities, India's maritime vision is required to cover the critical areas in the Indian Ocean where our region's vital national security interests lay. Therefore, its new area of interest spans from the Malacca Strait to the South China Sea area.

The Malacca Strait is a strategic one. During 1521, 375 fleets of Islamic warships were deployed to the Malacca Strait under the head of the Kudus Kingdom, Pati Unus, who commanded the war against the Portuguese for control over Malacca. In 1550, 4,000 soldiers in 40 warships from Jepara's Kingdom joined guild Malay 200 warships which were managed by Queen Kalinyamat, also known as Rainha de Jepara, and Senora Pade Rosa se Rica (the Queen of Jepara - small maritime Kingdom in Java - with her power and prosperity), when she successfully seized most of the Malacca Strait, according to Portuguese maritime histories.

Regional naval forces with collective maritime security involves issues regarding: territory, sovereignty, energy security, water availability, environment, trade protection, law and order, regional stability, effects of climate change, SLOC safety, disaster management and counter-terrorism. The issues of the South China Sea

actually only hold about 9 dotted lines while the remaining 51 points which lay from the eastern part to the western part of Indonesia's waters and from the northern to southern part of Indonesia's waters is still a huge 'time bomb' of maritime issues that will affect the stability of the region. The most significant question is who owns what on our territorial waters, especially when it is strategically connected to Malacca. This is a burden which we must face in the coming years, as it is predicted that by 2022, the SOM alone will hold about 118,800 vessels, 316,700 vessels by 2047 and around 1,3 million vessels by 2083.

The increased maritime activity of the post-globalization era undoubtedly resulted in economic expansion and development. As a result, trade in the SLOCs grew exponentially in value and importance. The disruption of energy flows in particular was a considerable security concern for littoral states, as a majority of their energy lifelines are sea-based.

Since energy security issues have become critical points in the Indian Ocean through Indonesian waters (such as the Straits of Hormuz, Malacca, Lombok and Sunda) could influence the geopolitical strategies of a nation, any turbulence in its supply would have led to serious security consequences. Given the spiralling demand for energy, it became inevitable for countries to sensitize themselves to the security of the sea lines of communications (SLOCs) and choke points of the region.

The new naval doctrine proposes a model of 'power projection' in the littorals that indicates the deployment of standoff military capabilities to deliver significant force either to deter or coerce. Power projection became the centrepiece of the world's advanced navies. Indonesia should follow the trend of movements in the region as Panetta explained that during the next 8 years (from 2012 to 2020), 60% of US bases will be repositioned into this region. From my perspective, the US bases will lie from the eastern part to the western part and from the southern part to the northern part of Indonesia, which reminds us of how US bases for coalition for operation enduring freedom and red nation, lay right here in the heart of South East Asia maritime pivot point, Indonesia waters and its SLOCs.

When we talk about the old history of colonialist war in the region, it is related mostly to the war of trade and resources. The commodity from 'rempah rempah' at the very old days now turn more to the energy security related resource : oil and gas fields, when the thin line between war and resources can be extremely blurred and connected. The fact that these Aid for Trades countries received USD 609,1 billion/year from East Timor's oil resources, compared to the USD 0,082 billion the government of East Timor alone received per year, clearly shows how these new war and power of resources play significant roles in this region. Therefore, I think the South China Sea issues will be soon erupt as any other 51 critical maritime points that lay in the region.

Many questions have arisen, including: is the presence of USA in the area designated as a strategic counterweight, is U.S. security treaty relations with Taiwan more about legislature rather than the executive agreement, is the fact that Japan strengthened its ties with Russia in order to diversify its diplomacy and the need for Indonesia to deepen relations with China and also further relations between ASEAN and China, does that bring an assumption that the USA has lost Asia, and Asia is gravitating towards China? These questions must be answered by Indonesia, which needs to shift

immediately from the simple reactive approach of passive defence to focus on territorial defence, towards a more dynamic defence, to drive our new attitude in the face of maritime provocations that may soon arise in the region.

The aforementioned questions show that it is becoming critical for the Indonesian Navy to take measures to maintain its presence, especially in and around critical SLOCs that bridging IO to Pacific Oceans. If we took a closer look at Indonesia's defence Budgets on required and realized levels, we will see that in 1005, 4.5 B USD was requested but only 2.31 B realized. In 2006, 5.69 B USD was requested but only 2.82 B realized. In 2007, 7.44 B USD was requested but only 3.26 B realized, in 2008 10.05 B USD was requested but only 3.28 B realized and in 2009, 12.71 B USD was requested but only 3.36 B USD realized. Even today (2012), when Indonesia has a defence budget of 77.7 trillion rupiah, it is still hard to catch up to the capabilities which it actually needs to protect and defend our huge maritime zones especially after more than 15 years of —defence suffering—, while the country spends 35 Billion USD every 5 years on democratic elections or around 7 Billion USD per year since 1998.

Based on trend analysis in the 30 years, the number of Indonesia military ideal average budget of U.S. \$ 142.8 billion per year, or approximately 11.4% of GDP. Based on trend analysis in 60 years will be achieved the ideal average budget of U.S. \$ 71.4 billion per-year or approximately 5.7% of GDP (based on a summary of needs of the Navy and the Ideal Procurement per year and budget allocation for 30 years, Rahakundini, Defending Indonesia, 2009).

Despite the huge defence budget needed to protect its waters and strategic SLOCs lay form Malacca, Sunda, Lombok, Wetar and Leti Straits, the actual biggest homework that Indonesia had today it is linking her National Strategy to Operational Level, it is really emphasized on how the National Security Strategy shapes Indonesia's vision of Geo-Political/Geo-Economic space to the implementation of Political-Military Space and Joint Military space.

Indonesia needs to increase submarine forces and introduce light helicopters to deal with regional maritime forces are being formed with the help of the U.S. along with China and Russia. It is also needs to reposition air defence elements and elements of TNI activities more towards the East to be able to directly face the threat emanating from the movement of Papua and protect critical assets in Eastern Indonesia, also to the South to meet the risk of the threat of direct competition maritime forces around Indian Ocean.

The Indonesia foreign affairs direction should be force to show a real Non Alignment standpoint where it should be able to covered and fulfil Indonesia's own national interests, national goals and priorities, despite integrating instruments of National Power and also regional and national Security Directives Meaning, Indonesia should develop its naval capabilities to shift regional navies orientations and especially TNI AL need to develop her Western and Eastern Armadas to the more powerful maritime projection power of ARMADAIO (Southern armada covering Indonesia ZEE at Indian Ocean sides) and ARMADAPAS (Northern armada covering Indonesia ZEE at Pacific Ocean sides and borders) and adding maritime and air weapons for the country new model of —'muscular diplomacy'—.

The fact that Indian navy capabilities as the 5th naval world power of covering (only) 7000 km² it is so unbelievably sad to see Indonesia navy rank un-clearly, while it actually needs to covers Indonesia waters almost 54.716 km² or in a simple words Indonesia should be able to deploy it's Navy 8 times bigger than India's naval power.

Balancing & Bandwagoning

Unknown to most Americans, Washington's garrisoning of the planet is on the rise, thanks to a new generation of bases the military calls —lily pads (as in a frog jumping across a pond toward its prey). These are small, secretive, inaccessible facilities with limited numbers of troops, Spartan amenities, and preposition weaponry and supplies.

Around the world, from Djibouti to the jungles of Honduras, the deserts of Mauritania to Australia's tiny Cocos Islands, the Pentagon has been pursuing as many lily pads as it can, in as many countries as it can, as fast as it can. Although statistics are hard to assemble, given the often-secretive nature of such bases, the Pentagon has probably built upwards of 50 lily pads and other small bases since around 2000, while exploring the construction of dozens more.

United States as the only superpower that has capabilities to be projected globally has been in Indian Ocean for decades. The military presence of United States is to control and secure the transportation of oil from Middle East to the other parts of the world. It's in United States interest to see the oil supply from Middle East secured so the price of oil can still be manageable (energy security). The military presence of United States in Indian Ocean also serves its mission on war against terrorism and to check the proliferation of weapons of mass destruction in the volatile region. Meanwhile, India is the most important regional actor in Indian Ocean that it has the most vast territory as well as power.

Although it has long been relying on United States' military presence to secure Indian Ocean, India is now looking towards to play a bigger role in the region. It can be seen as part of Indian aspiration to be great power. Nevertheless, India's future projection of military power in the region is unlikely to change radically the strategic balance in the region because simply it doesn't have intention to do so; status qua is more preferable for India. China, therefore, is the only actor that is likely to change radically the strategic balance of the Indian Ocean. As it's becoming more dependent to the import of oil from Middle East, it's hardly possible to see China keep relying on United States for the security of oil transport from Middle East to Pacific. China is trying to to do it by itself. And the only way China can do it is to project further its military, mainly maritime, power to the Indian Ocean.

With 'presence', 'patrolling' and 'projection', many regional and sub-regional powers thought they had got the power equation right. Now, how to make Indonesia maritime presence on projection power right? Indonesia national defence system needs a universal involvement of all citizens, territory and national resources. It should be prepared early on to hold a total, integrated, focused, and ability to continues to uphold the sovereignty and maintaining nation integrity. Should be able to protect state assets and needs in all areas, and secure the nation safety of all forms of threats and risks. Meet all mission of Indonesia regional and national interest – noted that 80% of world trade passing Indonesia waters and SLOCs for free - while by the 2004

alone the U.S. paid U.S. \$ 401.3 billion on German claimed of the impact of U.S. Base in Stuttgart .

Vietnam, Singapore, and the Philippines have indicated their desire for a continued US presence in the region. Vietnam has opened Cam Ranh Bay to visits by US naval vessels, Singapore will host the forward deployment of US Navy Littoral Combat Ships, and the Manila Declaration was signed in November reaffirming the US-Philippines Mutual Defence Treaty. President Barack Obama announced that US Marines would begin rotations to Darwin in 2012 starting with some 250 personnel at the Australian Army's Robertson Barracks and growing to a target of 2,500 Marines in the years ahead. The Marine deployment is describes as a signal of US commitment to Asia as our allies and partners worry about a shift in the regional balance of power. It also helps the US overcome the tyranny of distance by having forward-deployed forces for a variety of contingencies.

But what is seen as reassurance by some countries is seen as threatening by others. When entering an alliance, states may either balance (ally in opposition to the principal source of danger) or bandwagon (ally with the state that poses the major threat). States will choose to balance for two main reasons. First, states risk their own survival if they fail to curb a potential hegemonic before it becomes too strong. Second, joining the more vulnerable side increases the new member's influence, because the weaker side has greater need for assistance. Joining the stronger side, by contrast, reduces the new member's influence (because it adds relatively less to the coalition) and leaves it vulnerable to the whims of its new partners.

Alignment with the weaker side is thus the preferred choice. On the other hand, states choose to bandwagon for two motives. First, bandwagon may be adopted as a form of appeasement. By aligning with the threatening state or coalition, the bandwagoner may hope to avoid an attack on himself by diverting it elsewhere. Second, a state may align with the dominant side in war in order to share the spoils of victory. However, Walt argues that rather than allying in response to power alone, it is more accurate to say that states will ally with or against the most threatening power For example, states may balance by allying with other strong states, if a weaker power is more dangerous for other reasons. Because balancing and bandwagoning are more accurately viewed as a response to threats, it is important to consider all the factors that will affect the level of threat that states may pose.

Based on in-depth research of national actors involved and their perceptions regarding the issue of strategic importance of Indian Ocean, four national actors (United States, Israel, India, Pakistan) will take balancing or bandwagoning action if China further projects its maritime power in Indian Ocean with the real Possible Scenario; China will further projects its maritime power where alternate Futures $X_7 = Z_{24} = 16$ which going to involves mostly U.S., China, India, Israel and Pakistan.

However, to derive recommendation of Indonesia's foreign and defence policy in Indian Ocean, it's sufficient to take three most probable futures as consideration. As can be seen in the table, the three most probable strategic futures in Indian Ocean in terms of probable alliances that can be formed are: (1) USA, Israel and India will form an alliance to balance China while Pakistan will bandwagon with China, (2) USA, Israel, India, and Pakistan will all form an alliance to balance China, and (3)

Only United States will balance China while three other states, Israel, India and Pakistan will bandwagon with China.

Indonesia is not even mentioned into the IO naval players. Some years back Indonesia military stated as human right abuser, Indonesia got embargoed and this is weakening totally its naval and air defences capabilities. Relations between the US and Indonesia deteriorated since International Military Education and Training (IMET) was cut in 1992 following the killing of East Timor demonstrators in November 1991; security assistance was suspended in 1999 in response to violence in East Timor after the August referendum favouring independence.

Today, US called Indonesia as brothers-in-arms from one of America's key regional partners as stated on Pacific Forum CSIS Number 11A February 17, 2012. So, Is Darwin the Glue for US-Indonesian Cooperation? The US-Indonesia Comprehensive Partnership, launched by President Obama and President Susilo Bambang Yudhoyono in November 2010, deepens the US commitment to the bilateral relationship.

The evolving regional power dynamics will not only affect military power but will also have an impact on the environment and Indonesia's above and under waters natural health bases, due to the pollution, oil spills, and some other impacts caused by these new naval bases and lily pad movements.

Potentially more troubling was the reaction of other regional countries. Indonesian Foreign Minister Marty Natalegawa expressed concern that the rotations might provoke a reaction that heightens tension and mistrust in the Asia-Pacific region. How to find a new bottle to put the Genie back...? Currently, Indonesia stands alone as the only member that can mediate the fight Intra-ASEAN. All the claimants of SCS have to agree to hold an ideal model of cooperation that can erode the overlapping claims of sovereignty, which is in my opinion, should be on the implementation of China ASEAN Strategic Petroleum Resources & ASEAN maritime power cooperation.

Beijing's willingness to negotiate with the ASEAN should be restored. China should also make more clear guidelines for ASEAN to use \$ 500 million allocated for maritime cooperation. The question is, how we should put Taiwan into the map of cooperation since we cannot ignore anymore Taiwan power in the balancing process of our regional waters and SLOCs, only by 'following' what it is commonly stated as One China Policy.

To Indonesia, Taiwan actually can play a very significant role on 2 aspects: help Indonesia to build and transferred technology on ships, vessels, ports, developments and also help to build Indonesia National Security Council (INSC). Taiwan NSC is a world role model of how actually the INSC should actually shape national direction through foreign affairs directions and defence capabilities.

While the announcement of the Marine presence in Darwin triggered some, it also offers an opportunity to enhance the military-to-military relationship with Indonesia. The question is, how far are we going to allow US with or without both China to be able to play independently in our own SLOCs as part of regional maritime architecture on balancing world regional power?

**Joint Conservation and Management of Fishery Resources:
A Way to Help Manage Potential Conflicts
in the South China Sea**

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This paper was prepared for delivery at the SLOC conference, 25 -26 September 2012, Grand Hotel, Taipei, Taiwan, R.O.C., organized by the National Defense University.

Recent developments in the South China Sea demonstrate an urgent need for the parties concerned to make more efforts to implement the United Nations Convention on the Law of the Sea (hereafter referred to as “the LOS Convention”)¹ and the Declaration on the Conduct of Parties in the South China Sea (hereafter referred to as “the DOC”).² It is important for the countries to take actions to help manage potential conflicts and prevent the existing disputes from being further escalated. If today’s development trend of conflict continues and the situation becomes worse, possibilities of armed conflicts in the South China Sea can never be ruled out, which in turn will lead to more U.S. involvement in the South China Sea dispute.

This paper examines the possibility of setting up a regional organization to be in charge of managing and conserving fisheries resources in the South China Sea as a way of promoting maritime cooperation and helping manage potential conflicts in the area. It begins with a general discussion of the importance of fisheries resources in the South China Sea in Part I. This is followed by an explanation for a need to jointly manage and conserve fisheries resources in the area in Part II. Part III discusses the legal and political bases for pursuing maritime cooperation in the South China Sea. Part IV reviews the proposals that are related to the idea of establishing regional

¹ 1833 UNTS 397, adopted in Montego Bay, Jamaica, on 10 December 1982, entered into force on 16 November 1994. For the text of the Convention and Final Act of UNCLOS III, see *The Law of the Sea, Official Text of the United Nations Convention on the Law of the Sea with Annexes and Index, Final Act of the Third United Nations Conference on the Law of the Sea, and Introductory Material of the Convention and the Conference*, United Nations, New York, 1983, United Nations Publications Sales No. E.83.V.5.

² The Declaration was signed between the PRC and ASEAN members on 4 November 2002 in Phnom Penh, the Kingdom of Cambodia. For the text of the Declaration, visit <http://www.aseansec.org/13163.htm>

fishery management organizations, fisheries cooperative institutions, or joint fisheries conservation and management mechanisms to help manage conflicts in the South China Sea. The possibility for and obstacles to the idea of setting up a fishery conservation and management organization in the South China Sea are discussed in Part V. This paper ends with brief remarks on the possibility for the establishment of a regional fisheries management organization (RFMO) in the South China Sea.

Importance of Fisheries Resources in the South China Sea

The South China Sea is one of the large marine ecosystems (LME) in the world, characterized by its tropical climate. Brunei, Cambodia, Indonesia, Malaysia, the PRC, the Philippines, the ROC, Singapore, Thailand, and Vietnam are the ten countries bordering the South China Sea region.³ The South China Sea is a part of UNEP's East Asian Regional Seas Programme⁴ and is considered a semi-enclosed sea, because it connects to the East China Sea in the north by the Taiwan Strait, connects to the Indian Ocean in the south by the Singapore and Malacca Straits, and consists primarily of the territorial seas and exclusive economic zones (EEZ) of the ten bordering countries.⁵

It is widely known that the South China Sea is an extremely significant body of water in a geopolitical sense. It is the second most used sea lane in the world, with one-third of the world's shipping transiting through these waters annually. It is believed that the South China Sea holds huge oil and gas reserves beneath its seabed. In addition, with extensive continental shelves, relatively shallow depths, and the influx of numerous continental rivers, the South China Sea is a highly productive body of waters in terms of fisheries and other marine living resources. The South China Sea is also one of the world's richest marine biodiversity areas, with abundant and diverse marine resources.⁶

³ C. Wilkinson, L. DeVantier, L. Talaue-McManus, D. Lawrence, and D. Souter, *South China Sea, GIWA Regional assessment 54*, UNEP, published by University of Kalmar, Kalmar, Sweden, 2005, p.9, available at http://www.unep.org/dewa/giwa/areas/reports/r54/giwa_regional_assessment_54.pdf

⁴ See NOAA and C. Michael Hogan, Ecoregions: South China Sea large marine ecosystem, 1st published in the *Encyclopedia of Earth*, 24 August 2008, updated 19 August 2011, available at http://www.eoearth.org/article/South_China_Sea_large_marine_ecosystem?topic=49597

⁵ Article 122 (Definition) of the LOS Convention provides that "For the purpose of this Convention, 'enclosed or semi-enclosed sea' means a gulf, basin of sea surrounded by two or more States and connected to another sea of the ocean by a narrow outlet or consisting entirely or primarily of the territorial seas and exclusive economic zones of two or more coastal States."

⁶ Abundant marine species in the South China Sea LME include 1,027 fish, 91 shrimp and 73 cephalopod species in the northern continental shelf; approximately 205 fish and 96 shrimp species in the continental slope; and more than 520 fish species in the waters around the islands and reefs located in the southern part of the South China Sea. See Jin Xianshi, "Marine Fishery Resources and

The South China Sea ranks fourth among the world's 19 fishing zones in terms of total annual marine production. According to the Food and Agriculture Organization's 10-year trend report, in 1990, the South China Sea yielded approximately 6 million tons of fish, which increased to 13.5 million tons in 1999.⁷ The reported total catch in 2007 by the Southeast Asian Fisheries Development Center (SEAFDEC) was over 14 million tons.⁸ Among the ASEAN member states, Indonesia ranked first with its marine fishery production of 4.73 million tons, valued at US\$4,868 million. The Philippines came second with production of 2.3 million tons, valued at US\$2,452 million. Thailand placed third with production of 2.01 million tons, valued at US\$1,586 million. Vietnam reported a production of 1.99 million tons; Malaysia 1.38 million tons; and Cambodia 0.55 million tons.⁹ According to the data collected by the Sea Around Us Project, the PRC's catch in the South China Sea in 2006 was 2.68 million tons and the ROC was 144,000 tons.¹⁰

In 2008, China, Indonesia, the Philippines, and Myanmar were among the top ten marine and inland fish producing countries in the world. China, Thailand, and Vietnam were the top five exporting countries of fish and fishery products in the world.¹¹ More importantly, fish provides about 25% of animal protein necessary for the 500 million people of the countries that are bordering the South China Sea.¹² In 2007, Indonesia had 1.1 million full-time fishermen; the Philippines 1.79 million; Thailand 0.17 million; Malaysia 99,617; Brunei 5,991; and Singapore 122 fishermen all full-time.¹³ These statistics do not include part-time fishermen.

The South China Sea contributes significantly to the livelihood of millions of people who are engaged in fisheries, trade, tourism, and industry. It is a main source of income, employment, foreign currency, and protein for the growing populations in

Management in China" (paper presented at the ICFO Seminar, Qingdao, China, 225-29 October 2000, cited in Pakjuta Khemakorn, Sustainable Management of Pelagic Fisheries in the South China Sea Region, *ibid.*, pp. 18-19. Cited in Pakjuta Khemakorn, Sustainable Management of Pelagic Fisheries in the South China Sea Region, United Nations – The Nippon Foundation Fellow, New York, November 2006, available at http://www.un.org/Depts/los/nippon/unnfi_programme_home/fellows_pages/fellows_papers/khemakorn_0607_thailand.pdf

⁷ NOAA and C. Michael Hogan, *supra* note 4.

⁸ Summary 2007, SEAFDEC, available at http://fishstat.seafdec.org/statistical_bulletin/download/2007.pdf

⁹ Total Production (2007), SEAFDEC, available at http://fishstat.seafdec.org/statistical_bulletin/fisher_prd_total_action.php

¹⁰ Sea Around Us Project 2011, <http://www.seaaroundus.org/lme/36/4.aspx>

¹¹ FAO, World Review of Fisheries and Aquaculture, 2010, p. 13 and p. 52, available at <http://www.fao.org/docrep/013/i1820e/i1820e01.pdf>

¹² Scott Snyder, Brad Glosserman, and Ralph A. Cossa, *Confidence Building Measures in the South China Sea, Issues and Insights*, No. 2-01, Pacific Forum CSIS, 2001, p. 5, available at <http://csis.org/files/publication/issuesinsightsv01n02.pdf>.

¹³ Number of Fishermen by Working Status, Summary 2007, SEAFDEC, *supra* note 8, p. 8

Southeast Asia. It can be expected that fishery will continue to play an important role in the future economic development in the region.

The Need for Conservation and Management

In recent years, fisheries resources in the South China Sea have been threatened by Illegal, Unreported and Unregulated (IUU) fishing activities and a number of environmental degradation problems. According to the UNEP's 2005 GIWA assessment, the South China Sea is facing a number of severe environmental problems, including overexploitation and destructive fishing practices. Many stocks are considered to be exploited beyond Maximum Sustainable Yield (MSY), partly through overinvestment and with encroachment of large-scale commercial operations. Destructive fishing practices, such as trawling and mechanised 'push-netting' (with minimal use of by-catch exclusion devices), widespread use of explosives (reef bombing), electric fishing, 'muro-ami' and use of poisons for fishing, are found in the South China Sea.¹⁴ According to the Asia-Pacific Fishery Commission's report, a majority of the stocks or species groupings in the South China Sea subregion, in particular the western side of the Sea, are overfished or fully-fished.¹⁵ The report indicates that the stocks of large demersals and small demersals are overfished in a majority of the areas in the South China Sea. Large and small pelagics are also overfished or fully fished in a majority of the cases. The stocks of anchovies and sardines are overfished in a majority of the assessed fisheries. Low value/trash fish species are fully fished where assessed. All the assessed stocks of surimi species are overfished. Squids/cuttlefish and crustaceans are scored as fully-fished or overfished in all the assessed fisheries.¹⁶

Illegal, Unreported and Unregulated fishing activities are often conducted by fishers from the bordering countries, which are also encountering a problem of surplus in fishing capacity.¹⁷ In addition, growing coastal populations and

¹⁴ *South China Sea, GIWA Regional assessment 54*, UNEP, supra note 3, pp. 41-42.

¹⁵ Asia-Pacific Fishery Commission, *Status and potential of fisheries and aquaculture in Asia and the Pacific 2010*, RAP Publication 2010/17, FAO Regional Office for Asia and Pacific, Bangkok, 2010, available at <http://www.apfic.org/uploads/2010-17.pdf>, p. 17.

¹⁶ *Ibid.*, p. 18.

¹⁷ See B. Morton, "Fishing for diplomacy in the South China Sea," 46 *Marine Pollution Bulletin* (2003): 795-796; Pakjuta Khemakorn, *Sustainable Management of Pelagic Fisheries in the South China Sea Region*, 2006, available at http://www.un.org/depts/los/nippon/unnnff_programme_home/fellows_papers/khemakorn_0607_thailand.pdf, Ma. Carmen A. Ablan and Len r. Garces, *Exclusive Economic Zone and the Management of Fisheries in the South China Sea*, in *A Sea Change: The Exclusive Economic Zone and Governance*

development, destructive fishing practices, pollution and siltation have resulted in severe habitat and community modification in the South China Sea. The original area of mangroves in this LME has decreased by about 70% during the last 70 years, with millions of hectares of land, mostly mangroves, having already been converted for shrimp mariculture, industrial development and tourist resorts.¹⁸ A report by UNEP in 1999 warned that a continuation of the current trend would result in all mangroves being lost by the year 2030.¹⁹ There is also evidence of widespread modification of seagrass habitats throughout the region with 20% to 50% of seagrass beds having been damaged.²⁰ If no actions were taken properly by the bordering countries soon, marine biodiversity will be lost and there will be no fish in the South China Sea by the year 2050.²¹

Most countries in the region recognize that fisheries resources in the South China Sea are threatened. However, they are also aware of the need to increase fishery products to feed their growing populations and to uphold domestic fishing industries. This situation pushes South China Sea countries, in particular, those involving with territorial and maritime disputed, to encourage their fishers to move from the waters close to their coasts further out to the disputed areas in the South China Sea. This policy consideration is also motivated by the strategy to assert or support their claims to sovereignty, sovereign rights, and the exercise of jurisdiction in the waters near the disputed Paracel and Spratly Islands. The Scarborough Shoal incident that began in April 2012 and the action taken by the PRC to send its fishing fleet to the waters of Spratly Islands to fish in July 2012²² are the two recent examples of this strategy.

Apparently there is an urgent need for the countries in the region to take actions to conserve and manage fisheries resources in the South China Sea. It will be easier for a South China Sea country to adopt policy measures to regulate fishing activities in the waters solely under its jurisdiction. However, it will become more difficult, complicated and sensitive if law enforcement measures are adopted for the purpose of regulating fishing activities in the disputes areas in the South China Sea without

Institutions for Living Marine Resources, eds., Syma A Ebbin, Alf H. Hoel, and Are Sydnese (Springer, 2005), at 140-142.

¹⁸ K. Sherman and G. Hempel, eds., *The Large Marine Ecosystem Report: A Perspective on Changing Conditions in LMEs of the World's Regional Seas*, UNEP Regional Reports and Studies, No. 182 (Nairobi, Kenya: UNEP, 2009), p. 304, available at <http://iwlearn.net/publications/regional-seas-reports/unep-regional-seas-reports-and-studies-no-182/>

¹⁹ *Ibid.*

²⁰ *Ibid.*, p. 305.

²¹ "Ocean's Fish Could Disappear by 2050," *Discovery News*, 17 May 2010, available at <http://news.discovery.com/earth/oceans-fish-fishing-industry.html>

²² "Chinese fishing fleets arrives in Spratlys," *The Philippine Daily Inquirer*, 17 July 2012, available at <http://globalnation.inquirer.net/44509/china-fishing-fleet-arrives-in-spratlys>

obtaining consent from or reaching cooperative agreement with all of the countries concerned. A possible way to help conserve and manage fisheries resources in the South China Sea is to establish a joint management mechanism or set up a regional fishery management organization. In addition to the benefits of conserving and managing fisheries resources, the establishment of a joint management mechanism can also help manage potential conflicts in the South China Sea. The idea joint conservation and management of fisheries resources in the South China Sea will be discussed in Part IV. But it is important to note that the South China Sea bordering countries are required to adopt cooperative measures in the South China Sea in accordance with the relevant provisions of international treaties they ratified and a number of important political documents they signed.

Legal and Political Bases for Pursuing Maritime Cooperation

All of the countries that border the South China Sea are parties to the LOS Convention, with the exception of Cambodia and the ROC (See Table 1). Although the ROC is not a party to the LOS Convention, its government agreed to be bound by the treaty on voluntary and reciprocal basis. All of the countries involving in sovereignty and maritime disputes in the South China Sea, again with the exception of the ROC, had ratified the LOS Convention and therefore bear legal obligations to faithfully interpret and implement the treaty.

Table1: Signature and Ratification of the LOS Convention
by the SCS Bordering Countries

Countries	Signature	Ratification
Brunei Darussalam	5 Dec 1984	5 Nov 1996
Cambodia	1 Jul 1983	(Not yet)
China	10 Dec 1982	7 Jun 1996
Indonesia	10 Dec 1982	3 Feb 1986
Lao People's Democratic Republic	10 Dec 1982	5 Jun 1998
Malaysia	10 Dec 1982	14 Oct 1996
Philippines	10 Dec 1982	8 May 1984
Singapore	10 Dec 1982	17 Nov 1994
Taiwan (R.O.C.)	(Not a UN member)	(Not UN member)
Thailand	10 Dec 1982	15 May 2011
Viet Nam	10 Dec 1982	25 Jul 1994

Source: United Nations – Treaty Collection on the Internet, Chapter XXI, LAW OF THE SEA, 6. United Nations Convention on the Law of the Sea, status as at 31 July 2012, available at http://treaties.un.org/Pages/ViewDetailsIII.aspx?&src=TREATY&mtdsg_no=XXI-6&chapter=21&Temp=mtdsg3&lang=en

Since the South China Sea, in accordance with Article 122 of the LOS Convention, is considered a semi-enclosed sea, the bordering countries of this sea bear legal obligation to cooperate with each other in the exercise of their rights and in the performance of their duties in the South China Sea under the Convention. To this end, they are required to endeavor, directly or through an appropriate regional organization:

- (a) to coordinate the management, conservation, exploration and exploitation of the living resources of the sea;
- (b) to coordinate the implementation of their rights and duties with respect to the protection and preservation of the marine environment;
- (c) to coordinate their scientific research policies and undertake where appropriate joint programmes of scientific research in the area;
- (d) to invite, as appropriate, other interested States or international organizations to cooperate with them in furtherance of the provisions of this article.²³

In addition, under Article 61, paragraphs 2 and 5, of the LOS Convention, the South China Sea countries should ensure through proper conservation and management measures that the maintenance of the living resources in their EEZs is not endangered by over-exploitation. As appropriate, the South China Sea bordering countries and competent international organizations, whether sub-regional, regional or global, should cooperate for the purpose of conserving and managing fisheries resources in their EEZs that are parts of the South China Sea. They are also required to exchange available scientific information, catch and fishing effort statistics, and other data relevant to the conservation of fisheries resources on a regular basis through competent international organizations, whether sub-regional, regional or global, where appropriate and with participation by all states concerned.

In accordance with Articles 116-119 of the LOS Convention, the South China Sea countries are required to cooperate to conserve and manage fisheries resources in the disputed areas in the South China Sea which are beyond their national jurisdiction. Under Article 118, they should cooperate with each other in the conservation and management of living resources in the areas of the high seas in the South China Sea. The South China Sea countries, whose nationals exploit identical living resources, or

²³ Article 123 of the LOS Convention.

different living resources in the same area, should enter into negotiations with a view to taking the measures necessary for the conservation of the living resources concerned. They are required, as appropriate, to cooperate for the establishment of sub-regional or regional fisheries organizations to conserve and manage fisheries resources in the areas of the South China Sea that are considered high seas. For this treaty obligation, it is important to note that there exist different positions taken by the South China Sea countries with regard to the legal status of land features in the Paracel and Spratly Islands and their rights to generate a 200-nautical-mile EEZ or continental shelf in accordance with Article 121 of the LOS Convention. If all land features located in the South China Sea cannot have EEZ or continental shelf, there will be high seas in the area. On the other hand, if some of the land features are able to generate EEZ or continental shelf, there will be no, or very small area of high seas in the South China Sea. Clearly the legal status of these land features and their rights arising from the LOS convention are sources of maritime disputes between and among the countries that border the South China Sea.

All of the SCS bordering countries are parties to the 1992 Convention on Biological Diversity, with the exception of the ROC,²⁴ and therefore bear the legal obligation, to cooperate, as far as possible and as appropriate, with each other, directly or, where appropriate, through competent international organizations, in respect of areas beyond national jurisdiction and on other matters of mutual interest, for the conservation and sustainable use of biological diversity in the South China Sea.²⁵ In addition, the South China Sea countries, in accordance with their particular conditions and capabilities, should develop national strategies, plans or programmes for the conservation and sustainable use of biological diversity or adapt for this purpose existing strategies, plans or programmes which should reflect, *inter alia*, the measures set out in the Convention relevant to the contracting party concerned. They are also required to integrate, as far as possible and as appropriate, the conservation and sustainable use of biological diversity into relevant sectoral or cross-sectoral plans, programmes and policies.²⁶

If the South China Sea countries sign and ratify the 1993 FAO Agreement to Promote Compliance with International Conservation and Management Measures by

²⁴ Brunei and Cambodia acceded to the CBD on 27 July 2008 and 9 February 1995 respectively. China ratified the Convention on 5 Jan. 1993; Indonesia on 23 Aug. 1994; Malaysia on 24 June 1994; the Philippines on 8 Oct. 1993; Singapore on 21 Dec. 1995; Thailand on 29 Jan. 2004; and Vietnam on 16 Nov. 1994. For the text of the Convention and its status, visit <http://www.cbd.int/>

²⁵ Article 5 of the CBD.

²⁶ Article 6 of the CBD.

Fishing Vessels on the High Seas (High Seas Compliance Agreement),²⁷ the 1995 Agreement for the implementation of the provisions of the Convention of 10 December 1982 relating to the conservation and management of straddling fish stocks and highly migratory fish stocks (UN Fish Stocks Agreement),²⁸ or the 2009 Agreement on Port State Measures to Prevent, Deter and Eliminate Illegal, Unreported and Unregulated Fishing (Port State Control Agreement),²⁹ they will be required to cooperate for the purpose of conserving and managing fisheries resources in the high sea areas of the South China Sea. At the time of this writing, however, only Indonesia ratified the UN Fish Stocks Agreement on 28 September 2009 and signed the Port State Control Agreement on 22 November 2009. None of them sign the 1993 High Sea Compliance Agreement.

Being members of the United Nations and the specialized agencies under the UN system, the South China Sea bordering countries, with the exception of the ROC, are obligated to adopt policy measures to conserve and manage fisheries resources in the South China Sea under a series of hard law and soft law documents, which include the FAO Code of Conduct for Responsible Fisheries and in the International Plan of Action to prevent, deter and eliminate IUU Fishing, Cancun Declaration on Responsible Fishing, Rome Consensus on World Fisheries, Kyoto Declaration and Plan of Action on the Sustainable Contribution of Fisheries to Food Security, and the resolutions adopted the United Nations General Assembly on the law of the sea issues.

In addition to these legal bases, the South China Sea bordering countries also make commitments to promote maritime cooperation in the South China by signing political instruments or issuing declarations or statements at a number of official meetings attended by the heads of states, their representatives, or foreign ministers, of the PRC and ASEAN member states, which include the ASEAN and PRC Summit, the ASEAN and PRC Foreign Minister Meeting (10+1), the ASEAN Regional Forum, and the East Asia Summit. Since 1995 all member states of ASEAN have publicly and repeatedly agreed to seek a peaceful resolution of the South China Sea disputes, and continue to explore ways and means to prevent conflict and enhance cooperation consistent with the provisions of the relevant treaties, declarations, and international law, including the LOS Convention.³⁰

²⁷ The information about and text of the agreement available at <http://www.fao.org/docrep/meeting/003/x3130m/X3130E00.HTM>

²⁸ The information about and text of the agreement available at http://www.un.org/Depts/los/convention_agreements/convention_overview_fish_stocks.htm

²⁹ The information about and text of the agreement available at http://www.fao.org/fileadmin/user_upload/legal/docs/1_037s-e.pdf

³⁰ Bangkok Summit Declaration, Bangkok, 14-15 December 1995, available at

The PRC also joined the member states of ASEAN at the 3rd meeting of the ASEAN Regional Forum, held in Jakarta in July 1996, to seek solutions by peaceful means in accordance with international law in general and the LOS Convention in particular.³¹ The political commitment made by ASEAN member countries and the PRC 15 years ago when they signed the DOC in November 2002 remains valid today, which appeared in Guidelines for the Implementation of the Declaration on the Conduct of Parties in the South China Sea, agreed upon by the PRC and ASEAN in July 2011.³² The Guidelines will guide the implementation of possible joint cooperative activities, measures and projects as provided in the DOC. This was further reflected in the Chair's Statement of the 18th ASEAN Regional Forum (July 2011),³³ the Chair's Statement of the 19th ASEAN Summit (November 2011),³⁴ the Joint Statement of the 14th ASEAN-China Summit (November 2011),³⁵ the Chairman's Statement of the 6th East Asia Summit (November 2011),³⁶ the Declaration of the East Asia Summit on the Principles for Mutually Beneficial Relations, adopted at the 6th EAS in Bali, Indonesia on 19 November 2011,³⁷ and the

<http://www.aseansec.org/5189.htm>

³¹ Chairman's Statement of the 3rd Meeting of the ASEAN Regional Forum, Jakarta, 23 July 1996, para. iv, available at

<http://cil.nus.edu.sg/1996/1996-chairman%20%80%99s-statement-of-the-3rd-asean-regional-forum-issued-on-23-july-1996-in-jakarta-indonesia/>

³² For the Guidelines, visit <http://www.aseansec.org/documents/20185-DOC.pdf>

³³ Paragraph 11 of the 18th ASEAN Regional Forum's Chair's Statement on 23 July 2011 reads *inter alia*: "The Ministers welcomed the recent finalization and adoption of the Guidelines for the Implementation of the Declaration on the Conduct of Parties in the South China Sea (DOC) at the recent ASEAN PMC+1 with China. The Ministers further reaffirmed the importance and continued relevance of the Declaration on the Conduct of Parties in the South China Sea (DOC) of 2002, as a milestone document between ASEAN Member States and China, embodying their collective commitment to promoting peace, stability and mutual trust and to ensuring the peaceful resolution of disputes in the area, in accordance with universally recognized principles of international law, including the 1982 United Nations Convention on the Law of the Sea (UNCLOS)." For the text, visit <http://www.asean.org/documents/44thAMM-PMC-18thARF/18thARF-CS.pdf>

³⁴ Paragraph 147 of the 19th ASEAN Summit's Chair's Statement on 17 November 2011 reads *inter alia*: "We reaffirmed the importance of the Declaration on the Conduct of the Parties in the South China Sea (DOC) as a milestone document signed between ASEAN and China embodying the collective commitment to promoting peace, stability, and mutual trust in the South China Sea and to ensuring the peaceful resolution of disputes in this area in accordance with international law, including the 1982 United Nations Convention on the Law of the Sea (UNCLOS)." For the text of the statement, visit <http://www.aseansec.org/documents/19th%20summit/CS.pdf>

³⁵ Paragraph 10 of the Joint Statement of the 14th ASEAN-China Summit to Commemorate the 20th Anniversary of Dialogue Relations, 18 November 2011 reads: "We will cooperate to enhance maritime security, including to ensure freedom of commerce, safety of navigation and maritime traffic, in accordance with international law, including the 1982 United Nations Convention on the Law of the Sea (UNCLOS)." For the text of the joint statement, visit <http://www.aseansec.org/26739.htm>

³⁶ Chairman's Statement of the 6th East Asia Summit, Bali, Indonesia, 19 November 2011, available at <http://www.aseansec.org/documents/19th%20summit/EAS-CS.pdf>

³⁷ For the text of the declaration, visit <http://www.aseansec.org/documents/19th%20summit/EAS%20Principles.pdf>

ASEAN Phnom Penh Declaration, adopted at the 20th ASEAN Summit (April 2012)³⁸.

Seven months earlier, at the 6th EAS in Bali, the 18 national leaders or their representatives had recognized that “the international law of the sea contains crucial norms that contribute to the maintenance of peace and stability in the region”³⁹ and reaffirmed their determination “to promote a democratic and just world order based on the supremacy of principles and norms of international law, and on the need to use relevant multilateral instruments, finding solutions to regional and global problems through concerted efforts.”⁴⁰ At the 20th ASEAN Summit in April 2012, the ten leaders of the ASEAN member countries agreed to continue:

to uphold the collective commitments reflected in the Declaration on the Conduct of Parties in the South China Sea (DOC) and the universally recognized principles of international law, including the 1982 United Nations Convention on the Law of the Sea (UNCLOS), and to move for the eventual realization of a regional code of conduct (COC).⁴¹

They also reaffirmed the importance of the DOC as a milestone document signed between ASEAN and China, which embodies the collective commitment to promoting peace, stability, and mutual trust in the South China Sea and to ensuring the peaceful resolution of disputes in this area in accordance with the UN Charter and the universally recognized principles of international law, including the LOS Convention.⁴²

At the 45th ASEAN Ministerial Meeting in Phnom Penh, Cambodia, the ministers could not reach consensus and as a result failed to issue the customary Joint Communiqué, which was indeed unprecedented in ASEAN’s 45 years of existence. However, the Chairman’s Statement issued after the 19th ASEAN Regional Forum continues to stress the importance of maintaining peace and stability in the South China Sea, the continued exercise of self-restraint and the non-use of force by all parties concerned, respect for the universally recognised principles of international law, including the LOS Convention. The foreign ministers and representatives of the

³⁸ Phnom Penh Declaration on ASEAN: One Community, One Destiny, adopted at the 20th ASEAN Summit, Phnom Penh, Cambodia, 3 April 2012, available at http://www.aseansec.org/documents/pp_declaration_3%20April_FINAL.pdf

³⁹ Chairman’s Statement of the 6th East Asia Summit, paragraph 5.

⁴⁰ *Ibid.*

⁴¹ See Phnom Penh Declaration on ASEAN: One Community, One Destiny, adopted at the 20th ASEAN Summit, Phnom Penh, Cambodia, 3 April 2012, paragraph 5, available at http://www.aseansec.org/documents/pp_declaration_3%20April_FINAL.pdf

⁴² Chair’s Statement of the 20th ASEAN Summit, Phnom Penh, 3-4 April 2012, available at http://asean2012.mfa.gov.kh/documents/Chairman_Statement_20th_ASEAN_Summit_FINAL.pdf

19th ASEAN Regional Forum “called upon all parties to undertake peaceful resolution of the disputes in the area in accordance with the recognized principles of international law, including the 1982 UNCLOS.”⁴³

Last but not the least, as mentioned at the beginning of this paper, the Statement of ASEAN Foreign Ministers on ASEAN’s Six-Point Principles on the South China Sea expresses the common position of the ASEAN member states to fully implement the DOC, support the DOC Guidelines, conclude a regional code of conduct for the South China sea, respect the universally-recognized principles of international law, including the LOS Convention, continue to exercise self-restraint and non-use of force by all parties, and resolve conflicts by peaceful means in accordance with universally-recognized principles of international law, including the LOS Convention. The PRC also gives its support to the ASEAN’s Six-Point Principles on the South China Sea.

Accordingly, there exist sufficient legal and political bases for the South China Sea bordering countries to take action to conserve and manage fisheries resources in the area. A possible way for this cooperation is to establish a joint management mechanism or set up a regional fishery management organization. The existing state and regional practices are also conducive to the realization of this idea.

Proposals for Joint Conservation and Management of Fisheries Resources

Over the past two decades, there have been seen a number of proposals that aim to help manage the potential conflicts in the South China Sea. In early 1990s, the ROC president Lee Teng-huei proposed to set up an international development corporation to develop the South China Sea resources by inviting the countries concerned to contribute money to the development projects. The profits made by the corporation will be shared by the participating countries and used as an international development funds.⁴⁴ In addition, there have been other proposals, such as the Spratly Development Authority⁴⁵ 、Committee for Cooperation in the South China Sea⁴⁶ 、the

⁴³ The text of the Chairman’s Statement is available at <http://www.presspool.jp/asean/officialdocuments/459991.html>, 14 July 2012.

⁴⁴ Cheng-yi Lin, *The Situation in the South China Sea and the Diplomatic and Defensive Strategies Our Country Should Have*, Research Project, Research, Development and Evaluation Commission, Executive Yuan, October 1996, p. 187 (in Chinese)

⁴⁵ Mark J. Valencia, “The South China Sea: Potential Conflict and Cooperation,” paper presented at the Third Workshop on Managing Potential Conflicts in the South China Sea, Yogyakarta, 28 June – 2 July 1992, p. 203.

⁴⁶ *Ibid.*, p. 33.

Maritime Consultative Council for the South China Sea)⁴⁷、Joint Development Authority⁴⁸、the Spratlys Corporation⁴⁹、and the Spratly Management Authority.⁵⁰ Most of these proposals were made by international scholars from the non-South China Sea bordering countries and allowed the participation of non-claimants, avoided the discussion of sensitive sovereignty issues, had nothing to do with joint development of the South China Sea resources. Thus, the proposals were not considered by the countries that are involving in sovereignty and maritime disputes. The idea of establishing a Secretariat under the SCS Workshop process to be responsible for coordinating the proposed joint projects was also rejected by the participating authorities at the Workshop meetings.

In recent years, no South China Sea bordering countries have made proposal for the establishment a regional organization to be in charge of conserving and managing fisheries resources in the South China Sea. However, there have been seen a number of proposals that are relevant to the conservation and management of fisheries resources and therefore worthwhile to be mentioned here. Both the ROC and Philippine governments have proposed to set up a marine park or draw marine protected areas in the South China Sea. In 1998, the then presidential candidate Ma Ying-jeou proposed to establish a marine peace park at Taiping Dao (Itu Aba), the largest of the Spratly island group so that international cooperation can be enhanced, ecological and cultural heritages can be protected, and common wellbeing of the people living in the area can be promoted.⁵¹ The government of the Philippines proposed to establish a Zone of Peace, Freedom, Friendship and Cooperation (ZoPPF/C). Among other things, the proposal includes the idea of setting up a joint marine peace park in the joint cooperation area in the South China Sea.⁵²

As early as in 1992, American scholar John W. McManus began to propose to set up an international marine park at the Spratly Islands. The idea was proposed

⁴⁷ *Ibid.*, p. 205.

⁴⁸ Chen Hon-yu, "A Study on the Issue Concerning the South China Sea Cooperation," *Issues and Studies*, Vol. 30, No. 8, Aug. 1991, pp. 2-3 (in Chinese)

⁴⁹ Rex Aguado, "Could a Spratlys Corp Cool the Boiling Seas," *Hong Kong Standard*, 19 July 1994, p. 11

⁵⁰ Mark J. Velencia, Jon M. Van Dyke, and Noel Ludwig, "The South China Sea: Approaches and Interim Solution," paper handed out at the First Technical Working Group Meeting on Legal Matters in the South China Sea, Phuket, Thailand, July 1995, p. 18 and Mark J. Velencia, Jon M. Van Dyke, and Noel Ludwig, *Sharing the Resources of the South China Sea* (Honolulu: University of Hawaii Press, 1997), pp. 199-223.

⁵¹ See Ma's Ocean policy proposal, February 1998, available at <http://2008.ma19.net/policy4you/oceans> (in Chinese)

⁵² The Philippine proposal is available at http://southchinaseastudies.org/en/database-on-south-china-sea-study/cat_view/134-south-china-sea-studies-en

again in 2010.⁵³ In 2008, the World Commission on Protected Areas (WCPA) under the International Union for Conservation of Nature (IUCN) listed the Pratas and Spratly Islands as possible sites for setting up peace parks and for scientific cooperation in the trans-boundary areas.⁵⁴ In 1997, Mark J. Valencia, Jon M. Van Dyke, and Noel Ludwig proposed to establish a South China Sea Institute for Marine Resources Management to be in charge of basic and applied science research in the area. Since all of the South China Sea bordering countries, with exception of Cambodia and the ROC, are parties to the LOS Convention, they bear a treaty obligation to support the establishment of a state or regional marine scientific and technological research center. The main functions of this institute include promote studies of marine biology, conservation and management of biological resources, oceanography, hydrography, marine engineering, seabed geological exploration, marine environmental protection, prevention of marine pollution, etc.⁵⁵ In 2011, Jon Van Dyke wrote, "Because the East Asian countries have not developed either strong regional fishery management or effective pollution-control organizations, it might make most sense for them to develop an organization that would have authority over both resources and pollution."⁵⁶ In his mind, ideally, such an organization

should be governed by a binding convention, ratified by all countries in the region; should be staffed by a well-funded secretariat; should have responsibility over resource exploitation (especially fishing), over land-based pollution, and pollution from ships; should govern coasts, estuaries, wetlands, rivers, and open ocean areas through integrated multi-sector ecosystem management techniques; should promote the establishment of marine protected areas; and should undertake active research projects to monitor and understand climate change. Although the countries and citizens of each region must ultimately take responsibilities for such regional organizations and ensure their success, it will also be useful for UNEP to provide strong international leadership, to promote a more

⁵³ John W. McManus, "The Spratly Islands: A Marine Park Alternative," NAGA, *The ICLARM Quarterly*, July 1992, pp.1-5; John W. McManus, "The Spratly Islands – A Marine Park?" *Ambio*, Volume 23, Issue 3, 1994, pp. 181-186; John W. McManus, Kwang-Tsao Shao, and Szu-Yin Lin, "Toward Establishing a Spratly Islands International Marine Peace Park: Ecological Importance and Supportive Collaborative Activities with an Emphasis on the Role of Taiwan," *Ocean Development and International Law*, Vol. 41 (2010), pp. 270-280.

⁵⁴ "Marine Peace Parks: Establishing Transboundary MPAs to Improve International Relations and Conservation," *MPA News*, International News and Analysis on Marine Protected Areas, Vol. 9, No. 9, April 2008, available at <http://depts.washington.edu/mpanews/MPA95.pdf>, p. 3.

⁵⁵ Jon M. Van Dyke, and Noel Ludwig, *Sharing the Resources of the South China Sea* (Honolulu: University of Hawaii Press, 1997), pp. 120-124.

⁵⁶ Jon M. Van Dyke, "Regional Cooperation in the South China Sea," paper presented at The South China Sea: Cooperation for Regional Security & Development, Third International Workshop, Hanoi, Vietnam, 3-5 November 2011, p. 10.

integrated approach that combines resource management with environmental protection, and thus to reconfirm the common shared goals of the Regional Seas Programmes.⁵⁷

In 1993, the idea of promoting cooperation in fisheries assessment in the South China Sea was proposed and discussed at the South China Sea Technical Working Group on Resources Assessment and Ways of Development.⁵⁸ In 1998 and 1999, at the first and second meeting of the Study Group on Zones of Co-operation in the South China Sea, joint development of fishing resources was also discussed.⁵⁹ Nevertheless, all these proposals or discussions failed to increase the political willingness of the South China Sea bordering countries to establish a regional fisheries conservation and management organization. In 2002, although ASEAN and PRC signed the Declaration on the Conduct of Parties in the South China Sea and agreed to explore or promote cooperation in the areas of marine environmental protection and marine scientific research, they did not talk about the matters related to cooperation for conserving and managing fisheries resources in the South China Sea.

In the past few years, there have been seen new proposals by scholars, such as Mary George,⁶⁰ Nguyen Dang Thang,⁶¹ and Julia Xue⁶² for the establishment of a regional fisheries conservation and management organization in the South China Sea. Mary George suggested to combine SEAFDEC with a newly established regional fishery management organization (RFMO) for the purpose of establishing a Southeast Asian Fishery Management Organization (SEAFMO).⁶³ She stressed that the establishment of the RFMO will help resolve the geo-political tensions between states in the South China Sea and will ensure the best fisheries protections for the South China Sea, which is a much needed step in the right direction.⁶⁴ Nguyen

⁵⁷ *Ibid.*, pp. 10-11.

⁵⁸ Statement of The Working Group Meeting on Resource Assessment and Ways of Development in The South China Sea, Jakarta, July 6, 1993.

⁵⁹ Statement of The Second Meeting of the Study Group on Zones of Co-Operation in The South China Sea, Tabanan, Bali, Indonesia June 27 - July 1, 1999 and Statement of the Informal Meeting of the Study Group on Zones of Co-operation in The South China Sea, Vientiane, Lao PDR, June 15-18, 1998.

⁶⁰ Mary George, "Fisheries Protections in the Context of the Geo-Political Tensions in the South China Sea," *Journal of Maritime Law & Commerce*, Vol. 43, No. 1, January 2012, pp. 85-122.

⁶¹ Nguyen Dang Thang, "Fisheries Cooperation in the South China Sea and the (Ir)relevance of the Sovereignty Question," *The Asian Journal of International Law*, 2012, pp. 59-88.

⁶² Julia Xue, "Toward a Fisheries Cooperation Arrangement for the South China Sea," presentation made at a workshop on "Policy Options for Developing a Common UNCLOS Strategy in Asia," Hong Kong, 9-11 May 2011.

⁶³ Mary George, *supra* note 60, p. 121.

⁶⁴ *Ibid.*, pp. 121-122.

Dang Thang proposed fisheries arrangement made by the countries concerned in the South China Sea, because it is “legally sound, economically efficient and politically commendable as a measure to help defuse tension and promote sustainable fisheries in the South China Sea.”⁶⁵ Julia Xue proposed to adopt a regional convention on the conservation and management of fisheries resources in the South China Sea and to set up a South China Sea Fisheries Commission (SCSFC), which relied on the existing institutions and capabilities of international bodies, regional mechanisms, and most importantly, governmental entities. In her opinion, ASEAN can play a critical role in creating the building blocks of collaboration among the South China Sea bordering countries and a SCSFC can be formed under ASEAN, which will oversee the conservation and management of fisheries resources in the South China Sea.⁶⁶ There are other suggestions such as the establishment of a bilateral network of marine protected areas between Vietnam and the PRC.⁶⁷

Although the idea of setting up a RFMO for the South China Sea has not been proposed or discussed publicly by the Chinese government agencies, according to Lyle J. Goldstein, “quiet, technocratic cooperation has been on-going in [fisheries management] between China and various neighbors and other important maritime powers including the U.S. for decades.”⁶⁸ He argued that “Even as fisheries disputes may form the ‘leading edge’ of intensifying struggles for resources in the Asia-Pacific region, it is alternatively possible to consider how fisheries might simultaneously form one of the most pioneering and innovative aspects of bilateral and multilateral maritime cooperation in this volatile region.”⁶⁹

Outside of government circle, there have been seen a number of academic studies, in which the idea of establishing institutions to help conserve and manage fisheries resources in the South China Sea was discussed and proposed. In 2007, Chinese scholars Guo Wenlu and Huang Shuolin published a book in Chinese entitled “A Study of South China Sea Dispute and South China Sea Fisheries Resources Regional Cooperation and Management”, in which they discussed the possibility of

⁶⁵ Nguyen Dang Thang, *supra* note 61, p. 88.

⁶⁶ Julia Xue, *supra* note 62.

⁶⁷ Hai-Dang Vu, “A Bilateral Network of Marine Protected Areas between Vietnam and China: An Alternative to the Chinese Unilateral Fishing Bas in the South China Sea,” paper presented at The South China Sea: Cooperation for Regional Security & Development, Third International Workshop, Hanoi, Vietnam, 3-5 November 2011.

⁶⁸ Lyle J. Goldstein, China’s Approach to Fisheries Management, Testimony Submitted to the U.S. Congressional China Security and Economic Review Commission, 26 January 2012, p. 5, available at http://www.uscc.gov/hearings/2012hearings/written_testimonies/12_01_26/12_1_26_goldstein_testimony.pdf

⁶⁹ *Ibid.*

jointly conserving and managing the South China Sea fisheries resources and proposed a number of policy options for regional cooperation.⁷⁰ Guo and Huang listed the following principles for the promotion and implementation of joint conservation and management of fisheries resources in the South China Sea: (1) to put aside the disputes; (2) to avoid taking provocative actions that will make the South China Sea situation more complex; (3) regional cooperation is for the South China Sea bordering countries and “area”⁷¹; and (4) the application of flag state’s jurisdiction.⁷² The areas for fisheries cooperation include (1) all of the South China Sea, excluding the Gulf of Tonkin; and (2) the area in the South China Sea south of 12 degrees latitude. The effort to establish a RFMO in the South China Sea begins with joint survey of fisheries resources, from non-governmental level first and moving to governmental level for cooperation, and from bilateral to multilateral cooperation. Based on the results of joint cooperation achieved during the early stages, the South China Sea bordering countries begin to negotiate for adoption a regional government fisheries cooperation agreement and then establish a regional fisheries management organization in the South China Sea that is responsible for the promotion of a sustainable development of fisheries in the area.⁷³

SWOT Analysis of the Proposal for the Establishment of a RMFO in the SCS

Is it possible to set up a RFMO to help conserve and manage fisheries resources in the South China Sea? What factors can be cited in support of the proposal? Do we see the development of opportunities in the area for this organization? What are the obstacles to the idea of setting up a RFMO in the South China Sea? What if actions cannot be jointly taken, what would be the threats to fisheries development in the region?

Strengths in supporting and promoting the establishment of a RFMO in the South China Sea include the international trend of development in fisheries conservation and management, as well as the increasing national, regional, and global concerns about IUU fishing activities, overfishing, over fishing capacity, and possible depletion of fish stocks in the oceans of the world, and in particular, in the South China Sea. As reported, there will be no seafood left to catch in the world if no actions

⁷⁰ Quo Wenlu and Huang Shuolin, *A Study of South China Sea Dispute and South China Sea Fisheries Resources Regional Cooperation and Management*, Ocean Press (Beijing, 2007), Chapters 6 and 7 (in Chinese)

⁷¹ The wording is referred to Taiwan.

⁷² Quo Wenlu and Huang Shuolin, *op.cit.*, pp. 146-148.

⁷³ Quo Wenlu and Huang Shuolin, *op.cit.*, pp. 149-154.

are taken in time. The countries that border the South China are aware of the need to jointly conserve and manage the fisheries resources. A number of existing institutions, such as the Southeast Asian Fisheries Development Center (SEAFDEC), the Asia-Pacific Fisheries Commission (APFIC), UNEP Regional Seas Programme, APEC Ocean and Fisheries Working Group, the Coordinating Body on the Seas of East Asia (COBSEA), the Partnerships in Environmental Management for the Seas of East Asia (PEMSEA), the ASEAN, and the SCS Workshop are taking actions to prevent the fisheries resources from being further threatened. In addition, as mentioned previously, there are international legal bases and domestic legislations that are related to the conservation and management of fisheries resources in the South China Sea. Since nearly all of the South China Sea bordering countries are parties to the LOS Convention, they are obligated to do so. Being members of the FAO, they are also required to take appropriate measures to conserve and manage fisheries resources in the maritime zones that are within and beyond their national jurisdiction.

The South China Sea bordering countries will join the other members of the world to celebrate the 30th anniversary of the adoption of the LOS Convention in December this year. The year 2012 also marks the 20th anniversary of the Rio Declaration. They will also participate in the upcoming commemorative event for the 20th anniversary of the signing of the DOC in November 2012. The establishment of the maritime forum, with the new proposal to expand the participation by inviting non-ASEAN members, and the offer by China to set up a maritime cooperation fund at an amount of US\$471 million, and certainly the increasing recognition of the need to prevent the disputes in the South China Sea from being further escalated, can be considered an window of opportunity for the promotion of the idea of setting up a RFMO in the South China Sea.

However, obstacles remain and the biggest one is the lack of political will among the South China Sea bordering countries. At present, no official proposal can be found in setting up a fisheries management organization, such as the South China Sea Fisheries Commission. The proposals come mainly from scholars, based on concerns and studies, which unfortunately have not been taken seriously by the governments in the region. The problems of maritime boundary delimitation and the disputes over sovereignty and maritime zones, together with conflicting law enforcement activities, also make it very difficult and complicated to move toward cooperation for the conservation and management of fisheries resources in the South China Sea.

Recent developments in the South China Sea, in particular the escalation of tensions between and among the bordering countries, have the potential to disrupt peace and stability. If the countries in the region cannot work together, there will be seen more interventions from countries outside the South China Sea, such as the United States, India, Japan, and before long, the EU. This trend of development will affect the China-ASEAN relations, with a potential to disrupt the organization's unity in dealing with the South China Sea issue. The idea of setting up a RFMO to jointly conserve and manage fisheries resources should be considered a good way to help reduce tensions and manage potential conflicts in the South China Sea.

SWOT Analysis of the Establishment of a RFMO in the SCS

E x t e r n a l A n a l y s i s	Internal Analysis	
	Strength	Weakness
	■ -- International trend of development ■ -- National Concerns ■ -- Regional Concerns ■ -- Global Concerns ■ -- International legal basis ■ -- Domestic legal basis ■ -- Existing Institutions ■ -- Existing Practices	■ -- Lack of Political Willingness ■ -- Existing overlapping and disputed maritime zones ■ -- Sovereignty disputes ■ -- Law enforcement
	Opportunity	Threat
	■ -- 30th Anniversary of UNCLOS ■ -- 20th Anniversary of RIO ■ -- 10th Anniversary of DOC ■ -- No SCS RFMO existing ■ -- Maritime Cooperation Fund ■ -- Maritime Cooperation Forums ■ -- Increasing Recognition of the Need to Resolve or Manage the Dispute	■ -- Escalation of tensions ■ -- Continuing sovereignty and maritime disputes ■ -- Unilateral resources-related activities in the disputed areas ■ -- IUU fishing activities ■ -- Depletion of fisheries resources ■ -- Environmental Pollution ■ -- Loss of marine biodiversity

Concluding Remarks: Possibility for the Establishment of a RFMO in the SCS

This study finds that the South China Sea countries are aware of the importance of fisheries resources to their economic development, and the increasing threat to the sustainable development of these resources. They are willing to adopt national policy measures to conserve and manage fisheries resources of the South China Sea, in particular, within their national jurisdiction. But due to respective domestic political,

legislative, budgetary, and law enforcement problems, the threats and challenges remain ahead. The South China Sea bordering countries are facing a policy dilemma, in which they are expected to increase fish catch and to expand fishery industries to meet the growing domestic demand for fish consumption and the need to export more fish products oversea for foreign currency earning purpose, and on the other hand, they are also facing a problem of environmental degradation caused by overfishing, over-investment, and IUU fishing activities. The difficult and sensitive sovereignty and maritime disputes in the South China Sea complicate the policy dilemma. Although the South China Sea bordering countries are bound by the rules under the relevant international, regional, or bilateral treaties that they ratified or by the decisions made or management measures taken by the existing regional institutions or organizations that they participate in or belong to, it seems that they do not have the needed political will to initiate the idea of setting up a RFMO for the South China Sea to be responsible for conservation and management of fisheries resources in the area.

The rising tensions between or among the claimants have the potential to affect peace and stability in the South China Sea. Unresolved and overlapping claims to islands and maritime zones make it more difficult to conserve and manage fisheries resources in disputed areas of the South China Sea, which are part of the large marine ecosystem, but facing growing threats from overfishing and fish stock depletion. However, there also exist opportunities to help improve peace and stability and conserve/manage fisheries resources in a much more sustainable way in the South China Sea. The escalation of tensions in the area pushes the bordering countries to find ways to manage or resolve their conflicts and the idea of setting up a RFMO in the South China Sea is one of the confidence building measures which has been proposed by scholars and considered by the governments of the South China Sea bordering countries. Under the rules of international law, and governed by the existing institutions that are related to conservation and management of fisheries resources, the South China Sea bordering countries have obligations and opportunities to promote cooperation between and among themselves. However, more actions need to be taken by the parties concerned in the South China Sea, such as ratifying the UNFSA, faithfully abiding by the relevant rules of international law, enacting and adopting more effective domestic laws and policy measures, exercising restraint, and taking it seriously to promote joint development projects, which includes the idea of setting up a RFMO in the South China Sea.

**Some Reflections on
Mechanisms for Promoting Ocean Diplomacy and
Maritime Security Cooperation**

By Dr. Prof. Peter Cozens

*"The multitude of the people will, with one heart, proceed to build the
richest and happiest country in the world- a country of the people, by
the people, and for the people."*

Sun Yat Sen¹

He tangata, he tangata, he tangata

Old Maori

Saying

One of the greatest statesmen of the United States of America, Dr Abraham Lincoln, in his famous Gettysburg address, caught the imagination of the public with his carefully chosen words that still reverberate and echo in contemporary world affairs. He had a clear idea of what it was that he wanted to achieve. The quote at the beginning of this paper was offered in August 1919 by Dr Sun Yat Sen in his own journal, (*Construction or Jianshe*) because he was somewhat disillusioned by the way the new Republic of China, declared in 1911, was heading. This remarkable Chinese visionary leader parodied the remarks of Dr Lincoln in trying to harness the collective will of the people of China to achieve a similar harmony to that enjoyed by the people of America. Nonetheless the past 100 years unhappily, have been a long, tragic, complicated and very painful journey for many Chinese people.

The old Maori saying of *He tangata, he tangata, he tangata*, has meanings that are analogous to those of both Dr Lincoln and Dr Sun Yat Sen. A simple translation of the Maori suggests that the wise old gentlemen of the Land of the Long White Cloud (New Zealand or Aotearoa) knew a thing or two about statecraft – its meaning is:

What is the most important thing? It is people, it is people, it is people.

The reader might well ask why the author of this paper chose to make a seemingly arcane link between Dr Sun Yat Sen and the Polynesian people of New Zealand. The answer is that the indigenous people of Taiwan and those of New Zealand are connected by oceanic highways of dispersion that stretch back well over thousands of years to a common ancestry. No doubt there were other destinations for the adventurous ancient people from Taiwan. Nonetheless, the fact remains that in the DNA, the language, and indeed the "moko" or tattooing that characterises some Maori people and which is similar to the indigenous people of Taiwan, there is a definite and indissoluble connection between the island nations of New Zealand and Taiwan.²

The broader Asia-Pacific maritime estate is the geographical and ecological medium in and on which hundreds of millions of people depend for their sustenance, livelihoods and well-being. A huge proportion of the world's trade which generates

¹ Jonathan Spence, *The Search for Modern China*, W.W. Norton and Co., New York, 1990, p. 299.

² Levathes, Louise, *When China Ruled the Seas*, Oxford University Press, Oxford, 1994, pp. 24-25.

economic growth as well as facilitating the exchange of knowledge and learning is a constant seething mass of human endeavour on the seas of the region. It is a tide that can lift or lower the aspirations and fortunes of all members of the Asia-Pacific society – in this respect it behoves the leaders of the component parts of the region, whether in government or in business to work together for the common good not only ashore but in the oceans too. It is axiomatic that ordinary people of the region understand this fundamental truth. Nevertheless there are dark forces which are seemingly intent on challenging an equitable sharing of maritime resources and disguising their intentions behind specious ideas of security. This is not to point the finger at any particular government but rather to acknowledge the human frailty of avarice, either for power or for wealth, or both and which unfortunately permeates decision making in national governance and the activities of trans-national corporations.

In recent years the world has witnessed remarkable changes in governance, particularly in the Middle East that have coined such terms as “the Arab Spring” where ordinary people are demanding changes in how and by whom they are governed. This is not a new phenomenon. In the Philippines, “people power” was instrumental in changing a despotic rule in the mid 1980s into one that had a greater degree of popular support even though today’s government may not in fact be wholly without scruple. In recent years popular support for change in South Korea, Thailand and latterly in Myanmar suggests a gradual move towards forms of governance more sympathetic to the aspirations of ordinary people. Public annoyance with regimes that treat their citizens harshly attracts the attention of the world’s news media in ways that cause much heartburn to tyrants, despots and autocrats. The spread of modern communications facilities including cell-phones used by huge swathes of society and the pervasive power of the internet present new frontiers that authoritarian regimes find almost impossible to control. Never before was the old Chinese proverb of how to rule China so pertinent:

To rule China is like cooking a small fish – it has to be done very very carefully.

The internationalising of modern communications and the borderless world of cyber space where information and news flow instantly, presents humanity with new uncharted and variegated dimensions that challenge governance. In turn this presents questions of how planet Oceanus *must* be ruled for our successors, whoever they may be. Notwithstanding the rigidities of modern boundaries, including wherever they may be at sea the general term of “people power” ought to be recognised as one of those forces that will temper decision making in national governments and in the corporate world. In this regard the role of the Chinese in Southeast Asia should not be lightly dismissed and we should be mindful of their significant influence for the future. A distinguished scholar recorded before the current maritime tensions that appear to characterise relations between China and the countries of Southeast Asia:

... their meekness and peaceableness were in the long run to be far more forceful than the militancy of the Europeans; for in where the

latter came in their tens the Chinese came in their thousands, and when the Europeans had gone, they remained.³

Likewise the power of the so-called consumer society of which we are all part is another of the emerging forces that modern strategists need to take note. Niall Ferguson notes that:

Even those social orders explicitly intended to be anti-capitalist—most obviously the various derivatives of the doctrine of Karl Marx – have been unable to exclude it. The result is one of the greatest paradoxes of modern history: that an economic system designed to offer infinite choice to the individual has ended up homogenizing humanity.⁴

In this respect, modern scholarship and research of who we are, where we come from and where we might be going provides tools and lessons from history and familial connection, to prise apart some of the logjams and rigid abstract structures that impede safe navigation into more serene waters ahead for the people of the Asia-Pacific. The contemporary situation of the maritime domain of East Asia reveals a conspiracy of two evils, manifest in the form of acute nationalism and rapacious corporatism. The first element is apparent in the posturing of several governments that inflame emotions and the second is the quest for access to hydrocarbons and declining stocks of food fish. The purpose of this paper is to explore the idea that the present and developing transmission of ideas and self evident information and knowledge, especially of an ethical and moral nature, offers more to resolving some of the dangerous complexities in the seas of East Asia that are, at present, underpinned by corporate and nationalistic ambitions and which appear to bedevil rational regional progress in the early 21st century.⁵ⁱ There is no doubt that if Sun Tzu was with us today, he would grasp the big picture of the circumstances of the modern world and apply tenets of strategy to achieve outcomes of which there is a win-win-win solution for all.

Background to Contemporary Complications in the South China Sea

There are several contributing factors that merit some analysis and commentary and include (1) the nature of mainland Chinese maritime strategies, policies and performance, (2) the reaction of regional nations and associations to apparently mercenary Chinese claims, (3) regional public awareness of local hydrocarbon assets, (4) diminishing fisheries, and (5) environmental degradation. The remarkable growth of Chinese power during the past few decades is a significant driver of the regional security, political and economic architecture and it is in this respect that any discussion of the seas of East Asia must begin.

³ Victor Purcell, *The Chinese in South East Asia*, 2nd Ed., Oxford University Press, London 1985, p. 8.

⁴ Ferguson, Niall, *Civilization*, Penguin Books, London 2011, p. 198.

⁵ Hutchison, John and Smith Anthony D., (eds) *Nationalism*, Oxford University Press, Oxford 1994, p. 4.

There are few occasions today when China and the Chinese do not feature in our daily news and especially in respect of developments in the seas to the east of the Chinese mainland. A reasonable question to ask is “What is China’s Grand Strategy” and how do the East and South China Seas fit into it? Although it has not been articulated as such, contemporary Chinese military strategists apparently define grand strategy as the “overall strategy of a nation or an alliance of nations in which they use overall national strength” to achieve national political goals, especially those related to national security and development.⁶ Given China’s turbulent history it is not surprising that three themes are constantly iterated by Chinese leaders as the bedrock of national development. They are:

- a. National unity,
- b. Stability,
- c. Sovereignty.

Chinese history over the past two hundred years at least reveals that each of these conditions has been violated in some form or another. From them we can discern why the so-called problem of Taiwan is so vexing to Chinese sensibilities, and why stability is such an important factor of national consciousness, and why preservation of sovereignty (given the humiliations of imperialism and Japanese invasion) is likewise an important national pre-occupation.⁷ Stability also has a political connotation, inasmuch that the Communists intend to maintain their grip on power. The current dynasty, not unlike its predecessors of either a Confucian or Legalist persuasion, behaves as if its ruler is indeed the “Son of Heaven”. Mao Zedong is almost deified and Deng Xiao Ping is not far behind. It remains to be seen if their successors can elevate themselves to similar prominence. The factor of stability has both an internal and international dimension. On the one hand internal stability is a vital prerequisite for sustained development, and international stability is required for the benefits that accrue from international trade. Against these criteria, liberal political values promoted by the West such as Human Rights, Civil Society and Democracy take second place. The development of strong nationalist attitudes by the CCP to promote and advance Beijing’s policies however tend to camouflage uncomfortable truths that may undermine the ambitions of the ruling elite and may in fact be double-edged for the people of China as a whole.⁸ Nationalistic sentiments in this case:

relate directly to Chinese pride, and the regime has consciously elevated the people’s collective “consciousness of suffering” (with regard to historiography and sovereignty) as a way of uniting the

⁶ Annual Report on the Military Power of the People’s Republic of China, Report to Congress, Washington 2001, p. 5.

⁷ Dutta, Sujit, Securing the Sea Frontier: China’s Pursuit of Sovereignty Claims in the South China Sea, in *Strategic Analysis*, Vol 29 No 2, April – June 2005, New Delhi, p. 278.

⁸ Stirring up the South China Sea (I) Crisis Group Asia Report N°223, 23 April 2012, pp. 26-27.

people and mobilising a Chinese society that is increasingly disenchanted with the Party's ideological rhetoric.⁹

The influences that condition the development of China's Grand Strategy are a mixture of ancient as well as modern tenets of statecraft. China has, through successive dynasties, always been sensitive to what is happening beyond its western borders and therefore either influence or control of central Asia is a constant source of concern to Chinese rulers. The Mongols, other Barbarians and Manchus and latterly the Russians testify to this assertion. The seas to the east however, and until modern times was a relatively benign frontier. Even the epic voyages of Admiral Zheng He in the 15th Century did little to excite the imagination of the Ming Dynasty's successors, the Manchus.¹⁰

It is worth spending a few moments to reflect on the offshore history of China. After the fall of the Ming Dynasty's authority in 1644, some Ming loyalists escaped to the coast around Amoy and the Fukien coast. Under the leadership of Cheng Ch'eng Kung, whose father was a Ming Admiral, a very large group of traditional Confucian Han Chinese occupied Taiwan and evicted Dutch traders of the Dutch East India Company in 1661 and 1662.¹¹ In this respect these Chinese patriots removed foreigners from their encroachment on Chinese soil. Unfortunately Cheng senior died not long afterwards and was succeeded by his son Cheng Ching. Cheng Ch'eng Kung had steadfastly refused to submit to the new Manchu rulers of China in Beijing. He will, however, always be regarded by Chinese people as the man who evicted the Dutch and returned Taiwan to Chinese rule.¹² His strategic intent was to form a base in Taiwan from which he and other Ming loyalists could prosecute a war against the northern invaders from Manchuria and who then controlled China. His son Cheng Ching ruled Taiwan for some nineteen years and during that time many previous Ming government officials, members of the literati as well as large numbers of Chinese peasants, left coastal regions of China to settle on the island. During this time the Manchu rulers in Beijing made several attempts to bring Taiwan under imperial control but with little success. To the extreme annoyance of the new rulers in Beijing, agriculture and maritime trade prospered under the Cheng family's stewardship. Trade with Japan and the Philippines facilitated by the Dutch and Spanish ensured healthy surpluses in the Taiwanese treasury. However, it was a Ming official by the name of Shih Lang who eventually wrested control of Taiwan from the Cheng family and facilitated a union with the Manchu dynasty in Beijing. Shih Lang had fallen out with

⁹ Dutta, Op. cit., p. 279.

¹⁰ Deng, Gang, *Chinese Maritime Activities and Socioeconomic Development, c. 2100B.C. – 1900 A.D.*, Greenwood Press, Westport, Connecticut, 1997, pp. 57-59 and 136-137.

¹¹ Deng, Op. cit., p. 136.

¹² See Hung Chien-Chao, *A History of Taiwan*, Il Cerchio Iniziative Editoriali, Rimini, 2000, p. 61. "There is a large temple in Tainan dedicated to him as *K'ai-shan Sheng-wang*, or Saintly Founder-Prince of Taiwan".

the Cheng family in 1662 and offered his services to the new Manchu rulers - he was therefore regarded as something of a traitor to the Ming cause. Nonetheless it was Shih Lang who persuaded the Manchu K'ang-hsi Emperor that Taiwan had to be kept within China because of its strategic geographic location rather than for its economic performance. In any case the island was largely populated by Han Chinese people and therefore part of China. He successfully argued that the four coastal provinces opposite the island would have a greater degree of security if Taiwan remained part of China. The Emperor and his officials therefore formally decreed for the benefit of foreigners in particular on 27 May 1684 that Taiwan was indeed part of China. On 17 April 1895 and as a direct consequence of the Sino-Japanese War, Taiwan became a Japanese colony under the terms of the Treaty of Shimonoseki and remained so until the defeat of Japan in 1945.

However, it was from the sea that the Europeans came with their superior firepower, their opium, their industrial manufactures, their capitalism, their peculiar political systems, a different religious belief system and curious culture. So too did the industrialised Japanese after the Meiji restoration. It is hardly surprising therefore that when mainland China was eventually unified under the rule of the Chinese Communist Party that the grand strategy employed was defensive in nature and reflected in the modus operandi of the PLA and PLA(N). Underpinning China's ambitions in the South China Sea in particular are considerations of security and control of maritime activities, whether it be shipping movements, naval activities, fishing, scientific exploration, hydrographic and oceanographic surveying, or whatever, that are not always appreciated in western perspectives. For sure there are matters of valuable hydrocarbon resources that excite avaricious imaginations but even these benefits are insufficient to fully explain why Beijing is so committed to realising its claims. In his extremely thoughtful analysis of the origins and status of the U-shaped line,¹³ Professor Peter Kien-hong Yu draws attention to the constant disposition throughout history of China's rulers to erect barriers and to prevent the entry of 'barbarians' into the Middle Kingdom. With respect to the southern 'wall' or boundaries, he argues that the importance of its late emergence can be attributed to the fact that China had not considered itself a maritime power as well as the lack of threats from the south until the industrial revolution and European colonial expansion.¹⁴ Nonetheless he does make the important point that a policy decision to give up the U-shaped line is extremely unlikely, either by Taiwan or by China because 75% of Taiwan's National Assembly would need to vote accordingly and even if the National People's Congress in Beijing may raise the matter the Communist Party would not approve such a move.¹⁵ Furthermore, he stated that "Beijing will not,

¹³ Jinming Li and Dexia, Li, *The Dotted Line on the Chinese Map of the South China Sea: A Note*, Ocean Development & International Law, Vol 34, pp. 287-295, 2003.

¹⁴ Peter Kien-Hong Yu, *The Chinese (Broken) U-shaped Line in the South China Sea: Points, Lines, and Zones*, in *Contemporary Southeast Asia, Journal of the Institute of Southeast Asia*, Vol. 25/3, Singapore, December 2003, p. 408.

¹⁵ *Ibid*, p. 418.

however, strike out the U-shaped line, unless compelled to by the international community after a military defeat.¹⁶ It is worth noting that in his magisterial study of China's Imperial Past, Charles Hucker makes no reference to any historical maritime boundaries.

The nature of Chinese military strategy is now a lot more complex and has gone through a number of changes during the past sixty years. The initial premise was that of "luring deep" where a better armed and more capable enemy was drawn deeper into the hinterland until lines of communication and logistical capability were stretched and compromised - and then the PLA would strike swiftly at the weakest link. It was based on the premise of "peoples war" in which all members of society would play an active role in the defence of the nation. These ideas however belong to the Maoist era - and it is hardly surprising that this continentalist introspection on the part of the early communist leaders had very little real appreciation of naval matters and maritime strategy. Mao hardly mentioned maritime strategy in any of his military writings.¹⁷

The Nationalist Chinese or Guomindang (GMD) evacuated their forces and material resources to offshore islands in 1949, principally to Taiwan. The communists were soundly beaten with huge casualties when the PLA attempted invasion of some of these islands. This caused much introspection by Mao and his generals - he said, "We must build a Navy capable of defending our coastal areas and effectively guarding against possible aggression by the imperialists".¹⁸ The imperialists were considered to be the Americans. The Chinese leadership however, merely considered the Navy to be an adjunct of the Army and to be used to provide a first line of defence to limit an invading enemy's operations whilst ground forces were manoeuvred to best advantage. The strategy was known as *jinhai fangyu* - its primary purpose was to adopt guerrilla type tactics against an invading force but under the direction of local military commanders - it was in effect for some thirty years notwithstanding the ambitions of a highly motivated and expansionist naval cadre who had been trained and influenced by the Russians at the Voroshilov Naval Academy in Moscow. There is hardly any reference to maintaining the sovereignty in the East and South China Seas.

When Deng Xiao Ping assumed the mantle of leadership in 1978, PLA theorists and planners began thinking in terms of four specific types of war:

- a. Small confrontations at the frontier, eg Siachen Glacier,
- b. Medium sized conventional wars,
- c. Full-scale conventional wars under the condition of nuclear deterrence,
- d. Nuclear war.

¹⁶ Ibid., p. 420.

¹⁷ Tai Ming Cheung, "Growth of Chinese Naval Power, Priorities, Goals, Missions and Regional Implications", in *Pacific Strategic Papers*, Institute of Southeast Asian Studies, Singapore, 1990, p. 4.

¹⁸ Ibid., p. 219.

It was the first two types of war that were considered the most likely and with Vietnam and India being the opponents.¹⁹ However, one must also reckon this against the expansion of the Soviet Navy at that time and the establishment of port facilities in Cam Ranh Bay and Da Nang in Vietnam which were, in effect, a continuance of the border conflict between the USSR and China into a maritime dimension.²⁰

The Chinese takeover of the Paracel Islands in 1974 - a naval operation - was exquisitely accomplished by the Chinese leadership during a time of rapprochement between Beijing and Washington - the understanding being that the US would not intervene and assist a failing South Vietnamese state. The cynical blind eye turned by Washington at that time however, has had some long term consequences that considerably irritates the communist leadership of modern Vietnam with the communist leadership of Beijing. Perhaps the statesmen of Washington appreciated that by permitting the Chinese to take over this island group, it would provide a source of consternation between the two separate communist parties. Today however, it is Hanoi which want *its* islands back and who also wants to enjoy warmer relations with Washington.²¹ It was perhaps the takeover of the Paracels that opened the minds of the communist leadership in Beijing to the need for a comprehensive maritime strategy and the tools with which to do it. Deng Xiao Ping's modernising influence marks a shift from a purely defensive strategy to one of a comprehensive and assertive maritime nature. The build-up of the Soviet Navy and Merchant fleet under Admiral Gorshkov in the 1960s and 1970s also helped to convince the CCP leadership that there really was something useful in this maritime sphere after all.

The thrust of the four modernisations of Deng Xiao Ping was to change China from being a purely autarkic economy into a trading nation. He also suggested that sovereignty disputes should be shelved and in any case if there were to be developments of natural resources they should be conducted on a joint basis.²² This meant international trade and an offshore orientation in which the nation's commodities would be transported principally by sea and in which SLOCs had a vital strategic importance. On the coast itself "Special Economic Zones" were created as vanguards of the new industrial enterprise rejuvenating the country after decades of sterile communist production targets. Soon other coastal cities numbering some 300 or so from the north to the south of the country were attracting direct foreign investment and high technology activities. Whereas in the past the weight of economic output had been in the interior of China it was now concentrated on the

¹⁹ Lewis, John Wilson and Xue Litai, *China's Strategic Seapower" - The Politics of Force Modernization in the Nuclear Age*, Stanford University Press, Stanford California, 1994, pp. 214-219.

²⁰ Tai Ming Cheung, "Growth of Chinese Naval Power, Priorities, Goals, Missions and Regional Implications", in *Pacific Strategic Papers*, Institute of Southeast Asian Studies, Singapore, 1990.

²¹ International Crisis Group, *STIRRING UP THE SOUTH CHINA SEA (II): REGIONAL RESPONSES*. Asia Report No 229 - 24 July 2012, pp. 22-24.

²² Raine, Sarah, Beijing's South China Sea Debate, in *Survival*, International Institute of Strategic Studies, London, Vol. 53., No. 5, October-November 2011, p. 82.

coast. Also at this time the United Nations Convention on the Law of the Sea (UNCLOS III) was being negotiated. (The conference opened at the UN Headquarters in New York in 1973 and concluded in 1982.) Using the provisions of the new arrangements and historical arguments, plus the opportunity to claim a 200 mile EEZ and to formalise a historical claim to the Spratly islands and therefore access and ownership of significant fishing and minerals resources (particularly hydrocarbons), gave the naval planners much more muscle in arguing their case for a greater share of the national defence budget. But the Spratlys were, and are not, the only islands to which Beijing lays claim. The islands to the north of Taiwan the Diayudao or Senkakus are on the edge of the continental shelf of China and there are reports of significant deposits of hydrocarbons there. Unfortunately both Japan and Taiwan lay claim to the same area. The Philippines feel particularly aggrieved by Chinese occupation of the aptly named Mischief Reef in 1994 and the construction of a facility to accommodate human life in 1995. Earlier this year a stand-off over ownership of Scarborough Shoal to the north of the Spratly's has caused a great deal of disquiet in Manila.²³

The negotiated provisions of UNCLOS III ratified by Beijing in 1994, also gave China a sense of the importance of local maritime resources and their security. However, those odd bedfellows of "influence and security" began to stir the imagination of China's leadership in ways that had not necessarily been previously considered throughout Chinese history. The leadership perceived the need to establish China as a major regional sea-power and to deter competition from India and Japan as well as from the US and the USSR. The later development of port facilities in Pakistan at Gwadar, recently in Sri Lanka at Hambantota, at Chittagong in Bangladesh and possibly at Sittwe in Myanmar or Burma underscores this contention.²⁴ A geo-strategic consideration not always appreciated is that Beijing is critically aware of the need to modernise the interior of China such as in Yunnan and Sichuan. Transporting oil from the coast in Hong Kong to Kunming is about 2,000 kilometres but on the other hand transporting it from the coast of Myanmar from Sittwe to the same destination is about 1,000 kilometres. Clearly there are advantages in a compliant administration in Naypyidaw as the material and logistical costs of providing fuel to these interior regions would drop markedly.

The first Chief of the Chinese Navy was Admiral Xiao Jingguang who advocated a "light type navy capable of coastal defence", essentially to support continentalist army manoeuvre operations. Although he did try to convince Mao of the necessity to have a blue water capability it found little favour. It was his successor Admiral Liu Huaqing who had been educated in Russia and deeply influenced by Gorshkov who had set about changing the Soviet Navy from coastal defence into a real deep ocean

²³ International Crisis Group, *STIRRING UP THE SOUTH CHINA SEA (II): REGIONAL RESPONSES*. Asia Report No 229 – 24 July 2012, pp. 6-9.

²⁴ Friedman, George, *The State of the World – Assessing China's Strategy*, in *Stratfor*, 6 March 2012.

and blue-water capability. Admiral Liu commended all his officers to very carefully read Gorshkov's book, "Seapower of the State".

Admiral Liu introduced the idea of a "green water" zone. That is the littoral between the brown water of the coast and the deep blue sea beyond the island chain off the coast of China. His slogan was "*Jijide jinhai fangyu zhanlie*" which roughly translated means active green water defence. This is quite different from the idea of the light type navy of Admiral Xiao. In the mind of the PLA(N) the area stems from the Chinese waters adjacent to Vladivostok in the north to the Straits of Malacca in the south and from the island chain stretching from the Ryukyu Islands and Japan in the north, through Taiwan and the Philippines. These distances are in some cases more than 1000 nautical miles from the Chinese mainland. Admiral Liu's ideas represented a quantum leap forward in China's maritime thinking and strategy. During the past twenty years the PLAN has invested considerable resources in overseas bases, navigational facilities including hydrography, oceanography, meteorology, magnetic field intensity and nautical charts. These developments are naturally viewed with concern by China's neighbours and other regional powers. It is not within the scope of this paper to address deep sea or blue water aspirations of the PLA(N) but rather to confine its compass to the South China Sea. Nonetheless it is worthwhile considering the criticisms of George Friedman who recognises the acute dependence China now has on the high seas for international trade, the revenue generating nature of it and thus the matter of underwriting internal stability. He suggests that because of the geographical configuration of the islands groups of the East and South China Seas they are relatively easy to blockade. He states that:

Beijing's single greatest concern is that the United States would impose a blockade on China, not by positioning its 7th fleet inside the two island barriers but outside them. From there, the United States could compel China to send its naval forces far away from the mainland to force an opening – and encounter U.S. warships – and still be able to close off China's exits.²⁵

In general terms one of the maritime strategy goals developed and articulated by the CCP under Deng Xiao Ping's leadership and embraced by Admiral Liu Huaqing and further refined by their successors is to maintain the claims in the South China Sea to include the main island features of the Pratas Islands, the Paracels, the Macclesfield Bank and the Spratly Islands. In broad terms these claims emanate from the so-called 11 and 9 dotted line or "U" shaped line found in some maps published by the Government of China in 1947.²⁶ On these foundations further claims have been

²⁵ Friedman Op. cit.

²⁶ Jinming Li and Dexia, Li, *The Dotted Line on the Chinese Map of the South China Sea: A Note*, Ocean Development & International Law, Vol 34, pp. 287-295, 2003.

advanced using the formula of EEZ's introduced by the provisions of UNCLOS III.²⁷ Nonetheless the "territorial claims by China and its steady expansion in the South China Sea bring it into conflict with nationalist sentiments in Southeast Asia, Taiwan and Japan".²⁸ Prominent in this regard are the nations of Vietnam and the Philippines.²⁹ Of particular interest to all claimants in the region is access and exploitation of mineral wealth in the form of hydrocarbons on the one hand and fish resources on the other. One outcome of Deng Xiao Ping's opening of the Chinese economy is that the country is now dependent on the importation of food which means that open highways across the sea becomes a critically important part of the nation's strategy.

Chinese Strategy

There have been differing approaches by Beijing to support claims and realise those ambitions in the South China Sea. There are however two distinctly and contrasting methods adopted by the Chinese leadership, firstly a charm offensive and secondly the application of a more hard-nosed posture, with bellicose rhetoric and noise not dissimilar to that found in Chinese opera or Jing Ju – it is a peculiarly idiosyncratic Chinese form of statecraft.

In the early part of the new century Beijing began to re-shape its role in the region to be seen as a prominent and responsible international neighbour and citizen. Whereas in the past there were indications of an unhelpful antagonistic China challenging many countries in the region this unhelpful posture was superseded by a "charm" offensive.³⁰ In an article in *International Security* published in 2004, Professor David Shambaugh painstakingly reviewed China's foreign policy during the 1990s and suggested that China's trajectory towards realising its full potential caused countries in the region to make a favourable readjustment to their relations with Beijing. China also peacefully resolved many of its land border disputes with all of its neighbours but with the only exception of India.

A specific feature of China's diplomacy in the first years of the 21st century was that of the so-called New Security Concept (NSC).³¹ In essence it sought "to rise above one-sided security and seek common security through mutually beneficial cooperation. A commentary by Denny Roy provided a measure of comfort that competing interests would not be resolved by resort to armed conflict. He wrote that,

²⁷ United Nations Convention on the Law of the Sea, *A Historical Perspective*, Division for Ocean Affairs and the Law of the Sea, New York, Exclusive Economic Zones p. 4.

²⁸ Dutta, Op. cit., p. 279.

²⁹ International Crisis Group, *STIRRING UP THE SOUTH CHINA SEA (II): REGIONAL RESPONSES*. Asia Report No 229 – 24 July 2012, pp. 13-20.

³⁰ Thayer, Carlyle A., *China's "New Security Concept" and ASEAN*
csis.org/files/media/isis/pubs/0003qchina_seasia.pdf accessed 10 August 2012.

³¹ Ibid.

The NSC promotes cooperative security, an expanded understanding of security that includes threats beyond traditional state-vs.-state military conflict, and security cooperation that is aimed at promoting trust among states rather than targeting specific countries considered potential adversaries.

The NSC advocated multilateral dialogue, confidence building measures, arms control and non-proliferation, and expanded economic interaction as policies that would reduce international tensions. It denounced the use or threat of force to settle political disputes and called on large countries to treat smaller countries with equality and respect".³² The NSC gained further prominence and support by the adoption of the Declaration on Conduct of Parties in the South China Sea in 2002. The agreement sought to set up a number of mutually cooperative activities and to promote the development of maritime confidence building measures.

The précis of the precepts noted above are very much in line with the concepts of Comprehensive and Cooperative Security advocated by the Council for Security Cooperation in the Asia-Pacific.³³ Although the NSC may have reflected China's growing confidence, Denny Roy suggested that, "If the NSC could be considered a harbinger of Chinese intentions, the Chinese seem to believe that they will be able to achieve security and prosperity without forcing their will on their neighbours". David Shambaugh underscored these ideas by suggesting that China's perceptions of Track II engagement had markedly changed. Whereas a number of these institutions had previously been seen as tools of the United States by Beijing, further analysis and participation by Chinese scholars and officials in such fora as CSCAP and other regional non-governmental Track II processes, suggested something quite different. According to David Shambaugh, "Chinese analysts soon discovered that the United States did not control these organisations; to the contrary, it became evident to China (and other Asian participants) that Washington tended to dismiss or ignore them".³⁴ Over the past few years China has changed its behaviour from being passive and suspicious to become more fully engaged and proactive in many of these regional multi-lateral organisations.³⁵ Shambaugh suggested that there were four pillars of China's regional engagement:

- a. Participation in regional organisations;
- b. Establishment of strategic partnerships and deepening of bilateral relationships;
- c. Expansion of regional economic ties, and;
- d. Reduction of distrust and anxiety in the security sphere.³⁶

It might be noted that the USA and her allies invaded Iraq in March 2003 thus providing Beijing with some moral high ground supported by its advocacy of the NSC.

³² Denny Roy, *China's Pitch for a Multi-polar World: The New Security Concept*, Asia Pacific Centre for Security Studies, Volume 2 – Number 1, May 2003.

³³ CSCAP Memorandum No. 3, The Concepts of Comprehensive Security and Cooperative Security.

³⁴ David Shambaugh, "China Engages Asia", in *International Security*, Winter 2004, Vol 29, No 3., pp.64-99.

³⁵ Shambaugh, Op.cit., pp. 69-70.

³⁶ Ibid, p.72.

Notwithstanding the good intentions of the Declaration on the Code of Conduct (DOC) there has been precious little progress towards building trust and confidence between ASEAN and China. There have been numerous incidents at sea that have precluded the development of desirable outcomes. The signatories of the DOC were urged to build trust and confidence in four specific sectors:

- a. Dialogue between defence and military officials;
- b. Humane treatment of people in distress;
- c. Voluntary notification joint/combined exercises; and;
- d. That signatories may “explore cooperation” in select areas; marine environmental protection, marine scientific research, safety of navigation and communication at sea, search and rescue, and combating transnational crime.

Professor Carlyle A. Thayer recorded that ‘neither the spirit nor the letter of the DOC has been implemented despite ASEAN representations to China.’³⁷ However, the participation of Secretary of State Hilary Clinton at the 17th ASEAN Regional Forum Meeting in Hanoi on 23rd July 2010 appeared to galvanise the Joint Working Group to try harder. A communiqué issued after the two sides met for the 13th ASEAN-China Summit offered some grounds for optimism that progress would be made.³⁸ Nonetheless, even at the ARF meeting it seems quite clear from Professor Thayer’s writing that ASEAN countries and perhaps the USA have failed to fully understand China and Taiwan’s position on the U-shaped line, and the various nuances of:

- a. The line of boundary;
- b. The line of historic waters; and
- c. The line of ownership of the features.

Even though scholars are not unanimous about these specific issues and although there is a great deal of literature about them individually, there still appears to be a lacuna of knowledge about precisely what it is that China and Taiwan actually want. It is quite clear that recent activities by the PLA(N) seek to further China’s maritime claims based on the U-shaped line. A scholar who has sympathetically and cleverly identified the principle points of contention from a Chinese perspective concludes his argument with the observation that:

The U-Shaped Line map issued by China is a strong evidence for China: however, China needs to address its formal position and

³⁷Thayer, Carlyle A., *Recent Developments in the South China Sea: Grounds for Cautious Optimism*, Rajaratnam School of International Studies, Working paper No. 220,; Singapore: RSIS, Nanyang Technological University, Singapore, December 14, 2010, p. 29.

³⁸ Ibid.

clarification of the map, in order to avoid the misunderstanding on China's position on the South China Sea dispute.³⁹

What all this indicates is that there is probably a great deal of institutional confusion amongst the various departments of state in Beijing. The International Crisis Group report cleverly analyses the large number of inputs from differing domestic agencies in Beijing and including the energy companies with interests in exploiting the hydrocarbon reserves. However, these organisations appear to have sparse or no knowledge of the diplomatic landscape and little interest in promoting the national foreign policy agenda.⁴⁰ Which set of circumstances should underpin the Chinese claims? Are they those based on the merits of the historic U-shaped line, or perhaps the provisions of UNCLOS (or more forebodingly), the notion that might is right as Professor Peter Kien-hong Yu explained in his paper, observing that:

Many experts in international law concede that *political* will among other things, is necessary to resolve legal disputes at sea, especially in view of the fact that there has been no consistent pattern of human behaviour in this area. It can, therefore, be argued that it is generally brute (political and/or military) force, not international law, which determines the fate of points, lines, and zones at sea: and that this will be the case for at least the next few decades.⁴¹

Taking a broad view of the three main points established this far, namely a vague claim based on the historically opaque U-shaped line, a soft power approach in the early 21st Century to further that agenda and thirdly the recent bellicose but uncoordinated actions and rhetoric from Beijing, one could reasonably conclude that Beijing's strategy has not produced the outcomes it seems to desire. What is worrying is that forces of nationalism are cementing Chinese ambitions together instead of a lucidly articulated argument that also defines specific provisions for the proper management of this important waterway and a plan of how to use and employ the resources therein intelligently and for the benefit of all the people who have traditionally lived there. Compounding this set of circumstances is the fact that the quantum of hydrocarbon resources is not known with certainty but in any case will necessarily have to be mined by large corporations. However, there is an asymmetric condition in respect of the fisheries where millions of people have access to these resources and who will exercise their rights as they see them locally and resulting in a colossal tragedy of the commons. Of particular concern is the matter of overfishing and the consequent effect on the ecology of the ocean. The example of what has happened to the cod fishery off the northeast coast of north America is a sobering

³⁹Hong Nong, Interpreting the U-shape line in the South China Sea, in *China-US Focus*, chinausfocus.com/peace-security/interpreting-the-u-shape-line-in-the...accessed 1 August 2012.

⁴⁰ International Crisis Group, *STIRRING UP THE SOUTH CHINA SEA (I): REGIONAL RESPONSES*. Asia Report No 223 – 24 July 2012, pp. 14-24.

⁴¹ Op. cit., Peter Kien-hong Yu, p. 406.

thought for all decision makers in East Asia. At the forefront of his book about *Cod*, the author provides a salutary warning:

So the first biological lesson of history is that life is competition. Competition is not only the life of trade, it is the trade of life – Peaceful when foods abounds, violent when the mouths outrun the food. Animals eat one another without qualm; civilised men consume one another by due process of law.⁴²

If there is a criticism of Beijing's performance it is that the rulers have forgotten or are unpractised in the traditional game of *wei-chi*.⁴³ It seems as if 'power' either at the state or regional level is unable to prevent the current imbroglio from deteriorating into an abyss, and that is not in the interests of any of the people of the Pacific.

The Ecology & Environment – Fish Resources

A further matter complicating the political domain of the South China Sea is that there is no overarching regional approach to maintaining the environment and preserving the ecology especially in respect of the once abundant fisheries. The fact of the matter is that because knowledge of environmental degradation and climate change, and its apparent causes are beginning to be appreciated by a borderless public, due in part to the power of the internet, people are challenging their rulers and local authorities to do something about it. The recent floods in China, the Philippines and elsewhere will rattle the confidence of leaders who in turn will demand answers and defensive measures from public policy makers. Sadly, it would appear that grand gestures rather than policies based on scientific and rational reasoning trump what really needs to be done. A picture is worth a thousand words they say. The photograph at Annex A is from the International Herald Tribune on Thursday 2nd June 2005. It reveals a huge fleet of fishing trawlers tied up in a harbour in Hong Kong and prevented from going to sea to catch fish. It is quite clear that these small ships are equipped with sophisticated fish catching equipment and thus extremely efficient at their industrialised hunter gathering. The caption with the photograph explains:

Hundreds of fishing vessels in a typhoon shelter in Hong Kong on Wednesday, the first day of a two month fishing ban set by China for an area in the Tonkin Gulf in an attempt to allow fish stocks to regenerate. Violators will be fined.

Although it is commendable that the authorities seek to regulate the amount of fish that may be harvested, there is an apparent lack of understanding by officials of the

⁴² Kurlansky, Mark, *Cod*, Vintage, Random House, London 1997.

⁴³ Greene, Robert, *The 48 Laws of Power*, Hodder, Sydney, 2005, pp. 423-4.

productive capacity of the sea and how long it takes for fish to reach maturity. In his outstanding study of the fisheries of the world, Dr Daniel Pauly of the University of British Columbia and his assistants and colleagues have painstakingly created a data bank of the world's fisheries and along with lots of important scientific research that includes a mathematical assessment of the capability of each fishery.

The "Seaaroundus" project carefully documents the productive capacity of specific areas of sea. In the case of the seas off the coast of Vietnam for example, the primary production coefficient is $452 \text{ mgC} \cdot \text{m}^{-2} \cdot \text{day}^{-1}$.⁴⁴ Therefore the biomass of fish that is likely to accrue during a period of 60 days is hardly going to make very much difference in terms of increasing the stock. Nonetheless, even a moratorium of two months does give the environment a respite from the destructive effects of trawling and may perhaps allow a degree of regeneration and reproduction. Other material from the Seaaroundus project illustrates the negative effects of commercial fishing activities during the past 55 years. The two charts at Annex B to this paper graphically depict the quantity of fish that have been taken in the Vietnamese EEZ and that of the Philippines. The gradually rising quantity of landings suggests that this fishing effort cannot continue. More alarming are the two charts at Annex C which reveal stocks that have been overexploited and those that have collapsed. A very reasonable question to ask is what happens to the millions of people who depend on the sea for their nourishment and protein intake when there are no more fish to catch and eat?

Another alarming consideration is that in almost all of the literature about the South China Sea there is precious little reference to the damage being inflicted on the maritime environment by overfishing and pollution, and its consequent effect on the lives of the people who live around the periphery of it. The problem with the state of the fisheries in this sea and where the maritime boundaries have not been agreed is that a "tragedy of the commons" is steadily unfolding and with consequences that are, as yet, not perhaps fully appreciated by national authorities. This observable fact is characterised by over exploitation of a common resource – it is not a recent phenomenon. Aristotle was aware of the fact that what is common to the greatest number has the least care bestowed upon it. It is an "externality". In economic terms, externalities are defined as:

Activities that affect others for better or worse, without those others paying or being compensated for the activity. Externalities exist when private costs or benefits do not equal social costs or benefits.⁴⁵

The essence of the problem is that competitive fishing leads to an intensification of fishing effort on the assumption that if fish are not caught today there will be less to

⁴⁴ Seaarounus Project – see <http://www.seaaroundus.org/eez/704.aspx>, accessed 12 August 2012.

⁴⁵ Samuelson, Paul A., and Nordhaus, William D., *Economic*, (Fourteenth Edition), McGraw Hill, Singapore 1992, p. 736.

catch tomorrow. The “tragedy” is that although an individual may benefit in the short term, society as the owner of the common resource suffers overall.⁴⁶ Complicating this dismal state of affairs in the South China Sea is that decision making by senior leadership to do something positive, apart from the clumsiness of bureaucratic turf wars, is stifled by the negative forces of nationalism. The millstone of nationalism is a condition that requires extremely careful management lest it becomes a malevolent genie that escapes from the confines of its bottle-like confines.

Recovery of Hydrocarbons

Unlike the necessity for adroit and ingenious policies to sustainably manage the region’s fisheries, the extraction of hydrocarbons ought to be a relatively straightforward business. However, once they are recovered there is no replacement – they are consumed or used and that is that. There have been some attempts at cooperative joint ventures to share the benefits that accrue from their exploitation but for one reason or another, these positive proposals have come to nought. Competition for access to energy resources has increased in recent years as knowledge of the potential hydrocarbon resources in disputed areas become more broadly known by an informed public. There are reports that indicate state support for national oil companies to prospect for and recover oil and gas. There also appear to be programmes for individually state sponsored corporations to commence their operations in the near future.⁴⁷ These intentions aggravate and inflame the unwanted negative aspects of nationalism and tend to make regional cooperation that much harder to achieve. Nonetheless, it is reasonable to assume that no leaders want to propel their countries into armed confrontations - such competition rarely rewards those that are involved. Nonetheless there is evidence of posturing by naval and coastguard forces to support claims of sovereignty and intentions to uphold national positions. Sometimes, even these bellicose demonstrations can backfire. On 13th July a PLA(N) frigate ran ashore on Half Moon Shoal, 70 miles west of the Philippines island of Palawan, but was refloated within 24 hours. If one were to claim a particular geographic feature, it would be expected that the claimant would know precisely where it was. Running a ship aground is an embarrassing matter at any time for its captain and ship’s company, but to do it whilst furthering national ambitions is laughable.⁴⁸

One of the problems not necessarily appreciated by national leaders as they prepare to support the activities of their respective oil companies is the power that corporations exert over their national governments. The new oil corporations of East Asia appear to

⁴⁶ McGoodwin, James R., *Crisis in the World’s Fisheries, People, Problems, And Policies*, Stanford University Press, Stanford, 1999, p. 89.

⁴⁷ International Crisis Group, *STIRRING UP THE SOUTH CHINA SEA (II): REGIONAL RESPONSES*. Asia Report No 229 – 24 July 2012, pp. 14-16.

⁴⁸ Storey, Ian, China Pushes on the South China Sea, ASEAN Unity Collapses, in *The Jamestown Foundation, China Brief*, Vol 12, Issue 15, 3 August 2012.

be imitating the performance of Big Oil in the USA. Professor Jeffrey Sachs provides a study of corporate behaviour in the USA that has contributed to the downturn of the international economy in his recent book, *The Price of Civilisation*.⁴⁹ In his opinion he cites Big Oil as being on the side of the Pentagon in making sure that America defends the sea-lanes to the Persian Gulf, in effect ensuring a \$100 billion-plus annual subsidy for a fuel that is otherwise dangerous for national security.⁵⁰ Sachs also argues that it is in the interests of Big Oil to prevent the development of alternative sources of energy, notwithstanding the scarcity of oil, intensifying competition over supplies in unstable regions of the world; and the environmental risks of a continued rapid rise in fossil fuel use.⁵¹ No doubt the connections between defence planners and their national oil corporations and companies are similarly close. The matter of how to manage corporate ambitions and their propensity to influence governments to their own narrow ends must be taken into account in devising mechanisms to promote ocean diplomacy and maritime security cooperation. It is after all, their shareholders that they are beholden to, rather than the interests of the people from where the resource is extracted – the case of the impoverishment of the inhabitants of Niger delta is pertinent in this respect.

Oceans Policyⁱⁱ

The conceptual aspect of an Oceans Policy is a matter of strategic direction and importance for all coastal states. There is a wide range of factors that merit inclusion into such an overarching structure. The judicious management of fisheries and fishing activities is an obvious example. Practical environmental protection is another, development of marine tourism, recreation and leisure activities are also high in public expectations which provide sources of employment and revenue generation. Well resourced scientific research is an obvious contender especially in such areas as the Coral Triangle that extends in part into the South China Sea. Less obvious but of great importance are extraction of hydrocarbons and other minerals, safe maritime transport, policing and traditional maritime security measures. All these topics should be comprehensively addressed in an Oceans Policy. There are other international obligations, such as search and rescue that also justify inclusion.

Express provisions, to prevent deleterious use of the oceans today and to conserve and nurture them for future generations is not a utopian myth. It is a strategic necessity that merits ethical and moral consideration of the highest calibre. The people of the Pacific can no longer treat the ocean as a public sewer for untreated and unwanted wastes nor as an inexhaustible source of edible and other resources. It demands national, regional (and indeed international) stewardship of unprecedented prudence.

⁴⁹ Sachs, Jeffrey, *The Price of Civilisation*, The Bodley Head, London, 2011.

⁵⁰ Sachs, Op. cit., pp. 117-118.

⁵¹ Sachs, Op. cit., pp. 123-124.

To give some substantive weight to this contention and as an *aperitif* for something of a more substantive nature, at a conference held in Manado in Sulawesi on 9th May 2009, the six regional leaders from the Philippines, Papua New Guinea, Timor L'Este, Malaysia and The Solomons under the chairmanship of President of Indonesia, Yusilo Bambang Yudhoyono, adopted:

the 10-year Regional Coral Triangle Initiative Plan of Action, which is not legally binding but sets time limits to address growing threats to the region's coral reefs, fisheries, mangroves, threatened species and other marine and coastal living resources. [*Because*] The natural resources of the Coral Triangle are at risk due to overfishing, illegal fishing, unsustainable coastal development, pollution and climate change.

Agendas of self interest usually inhibit and obfuscate the development of the public good and this could be the case in producing a new code of maritime stewardship to govern the use of maritime resources. It will certainly not be easy to produce a workable and effective Oceans Policy for the region of the South China Sea, but an enduring and worthwhile discipline is seldom achieved without a great deal of concession and compromise. Strong and sensible political leadership is required. A regional Oceans Policy for the South China Sea also has an added international dimension as it will also address, in part, avenues for maritime co-operation with neighbours to the north, including the two Koreas, Russia and Japan.

Ocean Diplomacy and Maritime Security Cooperation⁵²

The so-called problems of the South China Sea will not be resolved easily or in a short time frame because the matters to be resolved are extraordinarily complex. Images of Alexander the Great cutting the so-called 'Gordian Knot' comes to mind, but of course this example had the benefit of the problem being concentrated in one place. Nonetheless, the two great tools of diplomacy, namely time and patience need to be played with great dexterity and finesse to achieve positive outcomes by national regional leaders. There are however, probably two specific mechanisms to circumvent the twin negativities of nationalism and the narrow interests of major resource extraction corporations that merit favourable consideration. The first is the compelling force and nature of Second Track diplomacy and the other is the skilful application and manipulation of naval forces.

Track two diplomacy is one of those instruments of persuasion and subtlety that cuts across parochial divides and provides a means to develop problem solving solutions that may not be easy to devise in objectively focussed bureaucracies. One of the more

⁵² Rahman, Chris, Concepts of Maritime Security, *Discussion Paper No. 07/09*, Centre for Strategic Studies, Victoria University of Wellington, Wellington, 2009, pp. 32-34.

thoughtful and persuasive initiatives in recent years to promote security at sea and underwrite the benefits of comprehensive and cooperative security was the Tokyo Declaration on Securing the Oceans signed on 3rd December 2003. A copy of this important document is at Annex D. It was a seamanlike attempt to articulate:

The concept of Securing the Oceans, *which addresses* the implementation of ocean governance as an integral part of comprehensive security. It requires that all aspects of ocean management, including military activities, the peaceful use of the oceans, resource extraction, environmental management, and scientific research should be addressed in an integrated manner.

It is not known how much influence this particular initiative may have had in the corridors of power of regional capitals and on the imagination of policy makers. It does fall within the general category of Track Two or Second Track Diplomacy, a quintessentially Asian way of problem solving and policy development.ⁱⁱⁱ However, it is quite clear from the analysis provided by David Shambaugh that this form of diplomacy does have some effect, even in Beijing.⁵³ It is an unfortunate fact however, that in recent years and probably due to the downturn in the world economy many institutional practitioners of Track Two have had to reduce their activities. Nevertheless for a situation that is as complex and bewildering as the various problems that are focussed in the South China Sea, the engagement of scholars, academics and officials in their private capacities, although not necessarily self evident, presents another form of dialogue which has a successful track record.

A particularly potent idea or instrument advocated by the authors of the Tokyo Declaration is the establishment of an International Oceans Policy think tank. This notion could be developed further but in the context of a bureau or council to guide resolution of difficulties in the South China Sea and to meet on a regular basis for the exchange of views and opinions and to provide a deep analysis of the historical, legal, scientific, economic and policy circumstances of the South China Sea. Its *raison d'être* would be to propose solutions to the existing problems for the consideration of regional governments. As for where it would meet – it would probably not be expedient to gather in any one country as this in itself could be gauged as perhaps favouring the host's interests over another. In this respect it would be better to meet on neutral ground and what better venue could there be than a 'Flag of Convenience' passenger ship cruising the waters of the South China Sea? The ship would necessarily need to be equipped with accommodation for participants, meeting rooms, a large theatre, communication and management centre facilities.

The second form of engagement is of a more practical nature and ought to be entrusted to those whose job it is to keep good order at sea. Although it is probably a rather ambitious proposal at the present time, one way in which regional governments could demonstrate co-operation and an intention to preserve the peace is by the means

⁵³ Shambaugh, Op. cit., pp. 64-99.

of fleet reviews. In his seminal work, "*Seapower: A Guide to the Twenty First Century*," Professor Geoffrey Till argues for more knowledge about the maritime estate. In particular he states that:

Navies should be instrumental in 'selling' the importance of the sea to governments and public opinion around the world which would seem to be increasingly afflicted by what is called 'sea-blindness', - or at least that is how it is frequently seen by many seafarers. In some ways, therefore, the biggest threat to the maritime future is an insidious one of ignorance and neglect amongst the general population and some parts of government.

Navies are in a good position proactively to help sell in all its aspects, strategic, commercial and environmental, because they are often in the public eye, they are integrated into government at the national level and operationally they are multinational at the regional, if not global levels.

The requirement for more knowledge, and for more public awareness of the importance and the characteristics of the ocean may now have become so important to the future life on this planet, that furthering it by every means possible should be regarded as a function, even a duty, of the world's naval forces.

There have been a number of unhelpful incidents in the past few years involving both coast guard and naval forces interfering with fishing activities, cutting underwater cables and seemingly petty provocative acts at sea.⁵⁴ These relatively small confrontations tend to be well-reported and often arouse more rounds of nationalist sentiment that produce much heat but little light in the way of finding acceptable compromises.⁵⁵ Likewise the building up of naval forces including submarines (presumably for use in the predominantly South China Sea) is not necessarily conducive to serene outcomes.⁵⁶ Confidence building measures are vital tools of statecraft that need a lot more support and understanding by regional leaders, especially in respect of displaying gestures of goodwill.^{iv}

A change of leadership is due in Beijing by the end of 2012 and a presidential election in the USA in November will determine whether or not the current incumbent of the White House will remain in power or be replaced. The problems confronting the leaders of both China and the USA in the next few years are likely to be more of a domestic economic nature rather than a quest for super power competition and domination. The economy of the USA is in a flaccid state due in part to the

⁵⁴ International Crisis Group, *STIRRING UP THE SOUTH CHINA SEA (II): REGIONAL RESPONSES*. Asia Report No 229 – 24 July 2012, pp. 18-20.

⁵⁵ Le Mièrè, Christian, The Return of Gunboat Diplomacy, in *Survival*, International Institute of Strategic Studies, London, Vol. 53., No. 5, October-November 2011.

⁵⁶ Op. cit., ICG, p. 20.

misbehaviour of corporate bankers and financiers. In China, there is a need for internal development as revenues from export led growth tend to diminish. There is in any case little enthusiasm by Beijing to invite Washington into any form of confrontation in the South China Sea, or vice versa and especially as relationships across the Taiwan Strait deepen and show signs of cooperation.⁵⁷ It is therefore in the interests of both Beijing and Washington to seek equitable long term solutions to the problems of the South China Sea. The establishment of new leadership teams in both capitals therefore presents an opportunity for a fresh start to engage regional governments to resolve the current impasse. The people from throughout the region will be watching the performance of their representatives as they grapple with the responsibility of finding beneficial outcomes – there is after all, a strategic necessity on behalf of the multitude of the people of the region and beyond, to do so.

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⁵⁷ Harris, Peter, *China and America—tougher times ahead?* Strategic Briefing Paper, Volume 6: Part 2: November 2011, Centre for Strategic Studies, Victoria University of Wellington, 2011.

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ⁱ Nationalism – Nationalism was, first of all, a doctrine of popular freedom and sovereignty. The people must be liberated-this, free from any external constraint; they must determine their own destiny and be masters of their own house; they must control their own resources; they must obey only their own 'inner' voice. But that entailed fraternity. The people must be united; they must dissolve all internal divisions; they must be gathered together in a single historic territory, a homeland; and they must have legal equality and share a single public culture. But which culture and what territory? Only a homeland that was 'theirs' by historic right, the land of their forebears; only a culture that was 'theirs' as a heritage, passed down the generations, and therefore an expression of their authentic identity.

ⁱⁱ See Cozens, Peter, Maritime Security and Oceans Policy, in *Maritime Security – International Perspectives from Australia and New Zealand*, Natalie Klein, Joanna Mossop, and Donald R. Rothwell, Routledge, Oxford, 2010.

ⁱⁱⁱ See Gary Hawke, Track Two Diplomacy in Strategic Manoeuvres – Security in the Asia-Pacific, Veitch, James (ed)., Centre for Strategic Studies, Victoria University of Wellington, Wellington 2010, pp. 5-18.

^{iv} See Luttwak., p. 15. Generally, political leaders around the world understand more about ground power than air power, and more about the latter than naval power. In the case of active suasion, decision makers on the other side will at least be faced with a definite grouping of capabilities in the naval forces that are displayed to them, or positioned against them, and the intent of the deploying party will normally be conveyed to them in one form or another. But in the case of latent suasion, neither of these conditions obtains; the political leaders of the littoral states must therefore construe the capabilities and intent of the naval forces which they observe according to their wits, and the possibilities of distortion are vast. For one thing, leaders of the smaller littoral states have ready access to naval expertise only in their own small navies, whose officers may know little about the operation of great power navies. With respect to political questions, one national leader is as good as another as each must make his own judgments in the light of his own world-view. But assessments of naval capabilities, of the significance of particular tactical configuration, and of the nature of the possible threats emanating from the sea require technical knowledge that many smaller states do not have.

ANNEX A

INTERNATIONAL HERALD TRIBUNE - Thursday, June 2, 2005



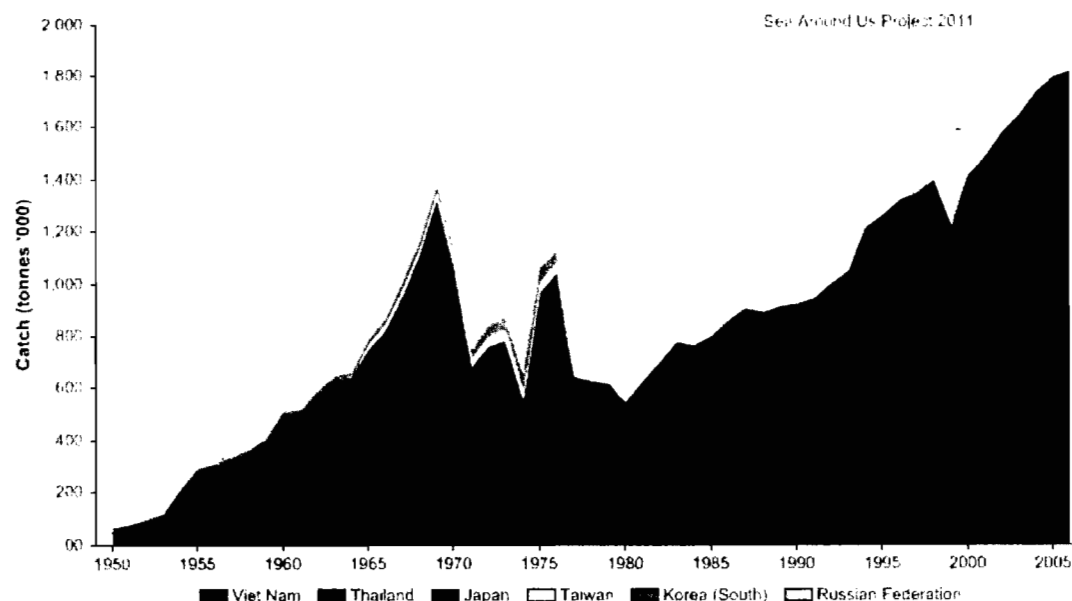
FISHING BAN — Hundreds of fishing vessels in a typhoon shelter in Hong Kong on Wednesday, the first day of a two-month fishing ban set by China for an area of the Tonkin Gulf in an attempt to allow fish stocks to regenerate. Violators will be fined

Geeby Yip/Reuters

¹ International Herald Tribune, 2 June 2005.

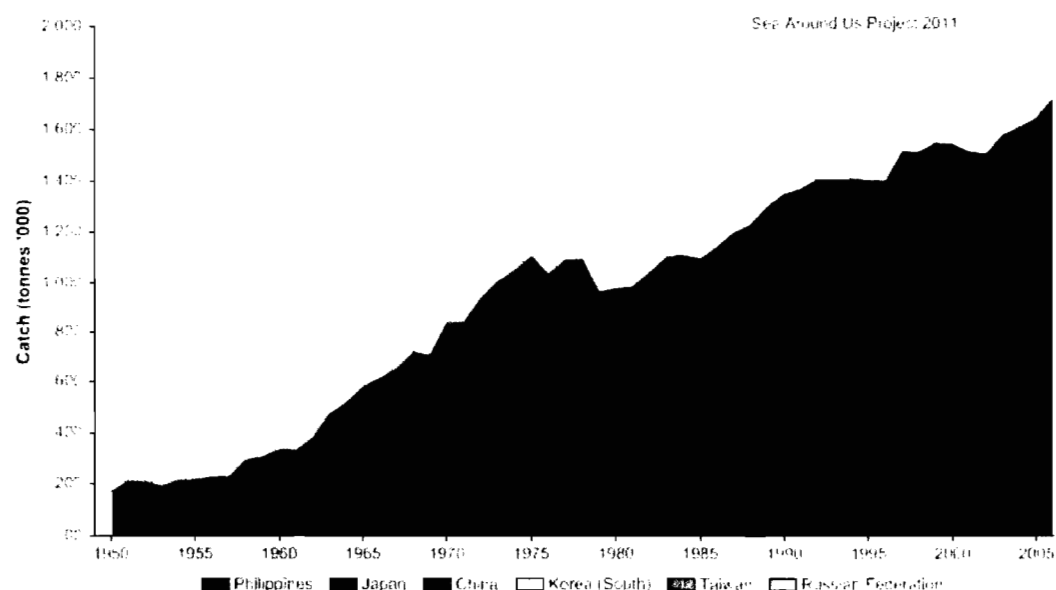
ANNEX B

LANDINGS BY FISHING COUNTRY IN THE WATERS OF VIET NAM



2

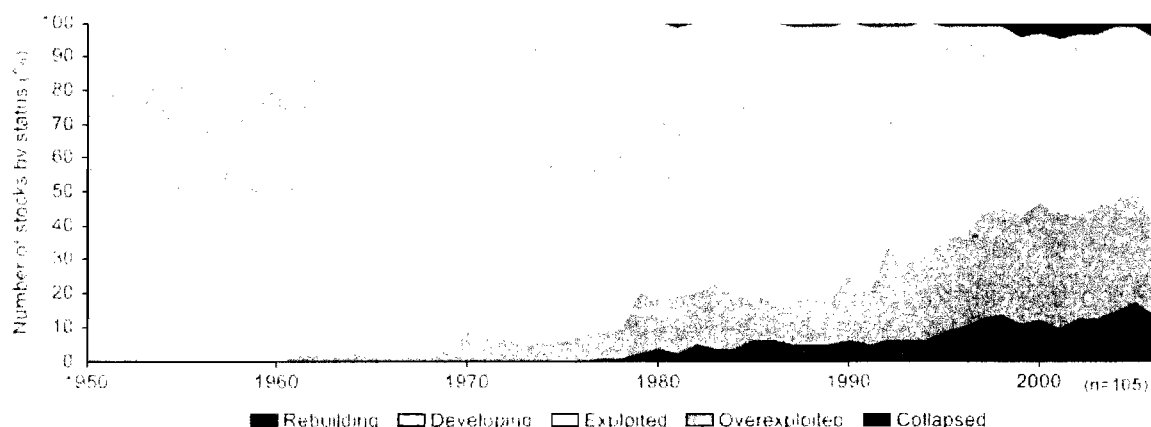
LANDINGS BY FISHING COUNTRY IN THE WATERS OF PHILIPPINES



² <http://www.seaaroundus.org/eez/704/4.aspx> accessed 12 Aug 2012

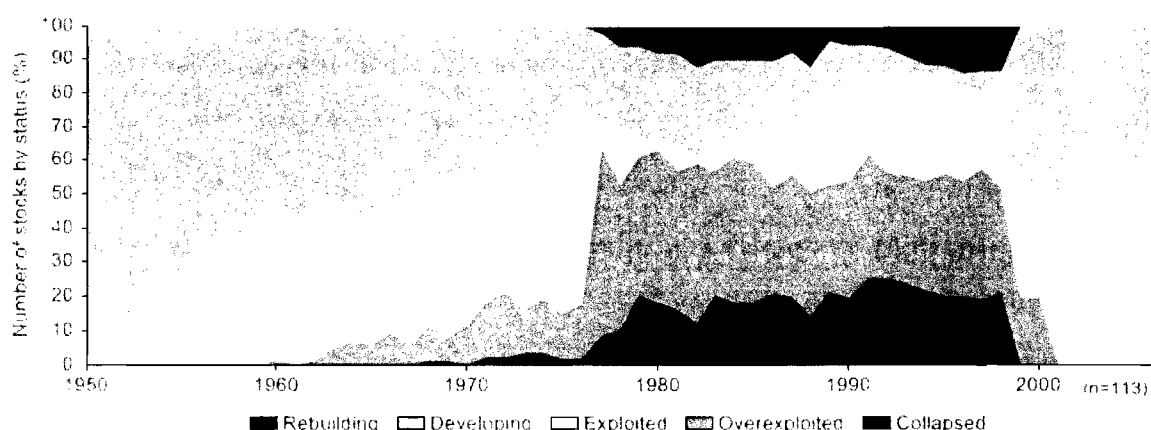
ANNEX C

STOCK STATUS IN THE WATERS OF PHILIPPINES



3

STOCK STATUS IN THE WATERS OF VIET NAM



4

Stock status plots assess the status of stocks by catch biomass (3-year running average values; top) and by number of stocks (bottom) since 1950. Stock-status categories are defined using the following criteria (all referring to the maximum catch [peak catch] or post-peak minimum in each series): **Developing** (catches $\leq 50\%$ of peak and year is pre-peak, or year of peak is final year of the time series); **Exploited** (catches $\geq 50\%$ of peak catches); **Over-exploited** (catches between 50% and 10% of peak and year is post-peak); **Collapsed** (catches $< 10\%$ of peak and year is post-peak); and **Rebuilding** (catches between 10% and 50% of peak and year is after post-peak minimum). Note that (n), the number of 'stocks' is defined as a time series of a given species, genus or family (higher and pooled groups have been excluded) for which the first and last reported landings are at least 10 years apart, for which there are at least

³ <http://www.seaaroundus.org/eez/608/101.aspx> accessed 12 August 2012

⁴ <http://www.seaaroundus.org/eez/704/101.aspx> accessed 12 August 2012

5 years of consecutive catches and for which the catch in a given area is at least 1000 tonnes.

**Geo-Agenda for the Future: Securing the Oceans
Adoption of the Tokyo Declaration
on Securing the Oceans**

To work for the maintenance of peace and protection of the environment and resources in the oceans remain cornerstones of sustainable development and great challenges for society in the 21st century. In the Institute for Ocean Policy, Ship & Ocean Foundation, with such awareness in mind, our examination of traditional security ideas, which are military-oriented, led us to a study on the formulation of a new comprehensive security concept on the oceans that would also include perspectives of marine environment and maintenance of peace in the ocean. For this reason, with the support of The Nippon Foundation, for over three years from 2002, we hosted international conferences to deliberate upon how to formulate this new concept of Securing the Oceans as well as on what measures are needed in order to give shape to the concept and bring to realization the protection of the marine environment and maintenance of peace in the oceans. This year, for two days from December 2 and 3, we held the third international conference on Geo-Agenda for the Future: Securing the Oceans, where we had lively discussions on the new security concept of Securing the Oceans and adopted the Tokyo Declaration on Securing the Oceans which recommend concrete measures for its implementation. Distinguished experts on international law and ocean policy from Australia, China, India, Indonesia, Japan, Malaysia, Philippines, Singapore, USA, and PEMSEA (Partnerships in Environmental Management for the Seas of East Asia), which drew up the Sustainable Development Strategy for the Seas of East Asia in December, 2003, participated in this conference. In the Institute for Ocean Policy, Ship & Ocean Foundation, based on this Tokyo Declaration on Securing the Oceans, we will continue our efforts to try to build political will and have proposals be implemented in all countries and in the international level towards the realization of the concept of Securing the Oceans from here on.

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Tokyo Declaration on Securing the Oceans

The concept of Securing the Oceans, which we advocate, regards the implementation of ocean governance as an integral part of comprehensive security. It requires that all aspects of ocean management, including military activities, the peaceful use of the oceans, resource extraction, environmental management, and scientific research should be addressed in an integrated manner.

The concept of Securing the Oceans provides a comprehensive and integrated approach to ocean problems as a whole. It promises a significant improvement on the pattern of sectoral specific initiatives.

Hoping that this concept will serve in developing a deeper appreciation of the importance of ocean governance, and encourage individual states to achieve harmony between the exercise of their sovereignty and ocean governance as espoused in the United Nations Convention on the Law of the Sea (UNCLOS) and Agenda 21;

Believing that this is the way forward to achieving peace and sustainable development in the world's oceans, and thereby to ensuring the survival and prosperity of mankind; Reaffirming not only that the UNCLOS and Agenda 21 constitute international agreement, to which almost all countries are pledged to adhere, but that their implementation requires the full cooperation and coordination of all countries; Trusting that it is now the time to clarify this in expressions of political will at both the national and international levels; We therefore propose the following measures for building political will and implementing this new security concept of Securing the Oceans:

I Building political will

1-1 Proposals to individual states and international organizations

We propose to individual states, as well as the United Nations and other international organizations, to join in initiatives to realize and promote a new security concept, Securing the Oceans.

1-2 Creation of an international ocean think tank

An international think tank for Securing the Oceans should be established. Along with its policy studies and research activities, such a think tank should serve as a network center for national ocean research institutions in the region and host international conferences for ocean researchers.

1-3 Establishing outreach programs

Educational programs should be expanded and public awareness raised regarding the need for Securing the Oceans, in light of the importance of our common ocean heritage. As a part of these efforts, it is advocated that the introduction of an Ocean Ambassador program as well as the establishment of awards to formally recognize individuals who have contributed to Securing the Oceans should be instituted.

1-4 Establishment of a coordinating mechanism and cross-sectoral body for ocean affairs

Each state should establish a coordinating mechanism and cross-sectoral body to develop and apply integrated national approaches to ocean issues.

1-5 Holding “Securing the Oceans” international conferences on a regular basis

“Securing the Oceans” international conferences should be held on a regular basis, inviting broad participation, including that of individual states, intergovernmental and non-governmental organizations, academia, and local governments. Ocean Summit and ministerial level meetings should be held concurrently with the international conferences.

II Towards implementation of Securing the Oceans

2-1 Conflict prevention and environment protection systems

Systems and strategies should be formulated in regional societies for confidence building and the prevention of conflict, and the protection of ecosystems and the environment. Codes of conduct regarding peace and the environment, standards for the pacific settlement of disputes, and pollution response manuals should be formulated.

2-2 Surveillance, monitoring, and enforcement systems

States should create surveillance, monitoring, and enforcement systems for piracy, maritime terrorism, illegal trade, fishing, the environment, and illegal dumping at sea.

2-3 Information sharing

States and regional organizations should share necessary information for Securing the Oceans such as on piracy, maritime terrorism, illegal trade, illegal fishing, environmental pollution, and marine ecosystems. They should work to create systems to facilitate such exchange of information.

2-4 Burden sharing

In recognition of coastal states’ burdens in discharging their ocean governance responsibilities, user states should provide to coastal states appropriate financial and

technological assistance. States and organizations should work to create systems to facilitate such cooperation.

2-5 International cooperation for capacity building

The capacity building necessary for Securing the Oceans requires international cooperation. User states are called upon to provide both material and human resource support especially to developing coastal countries.

This Declaration is the fruit of three years' deliberation by 26 eminent ocean law and policy experts and was adopted by the Third International Conference on Geo-Agenda for the Future: Securing the Oceans, hosted by the Institute for Ocean Policy, Ship & Ocean Foundation, at Tokyo, Japan, 2-3 December 2004.

3 December, 2004

Tokyo, Japan

Significance of this New Concept

The Role of the Ocean

Mankind has depended on the ocean throughout history for its development and prosperity, and continues to do so today. This reliance includes use of shipping lanes for commerce, conservation of fishing resources, and development of the oil, natural gas, and mineral resources to be found on or below the ocean floor. It also includes use and development of coastal areas for residential purposes and industry. Moreover, the sheer volume of water making up the ocean environment plays an indispensable role in the support system for all life on the planet. Covering 70% of the earth's surface, it is no exaggeration to say that the oceans are the basis of our prosperity and even our survival.

The Changing Relationship between Man and the Ocean and Changes in Security Concepts

However, in recent years, military tensions have escalated at sea, with confrontations between sovereign states arising over the development and use of ocean resources. Meanwhile, with the collapse of the Cold War order, long-suppressed ethnic and religious tensions have burst into armed conflict in many parts of the world, along with unimaginable acts of terrorism. There have also been confrontations arising out of discontent with poverty and other living conditions.

At the same time, while science and technology in advanced nations increasingly orient their economies toward mass production, consumption, and disposal, the North-South gap continues to grow and poverty increases in parts of the world. This is accompanied by water pollution, over-exploitation of resources, the rapid development of coastal areas, and an increase in piracy, terrorism, and other unlawful acts at sea. As a result, degradation of the marine environment proceeds, and there is destruction of ocean and coastal ecosystems, depletion and sometimes exhaustion of ocean resources in areas around the world. The oceans are at risk from other global environmental problems as well. The release of greenhouse gases raises the temperature of the earth, causing global climate change and raising the sea level.

All of these developments threaten the safety and sustainable development and use of the world's oceans, not only compromising the progress and prosperity but threatening the very survival of the human race as well. The predominant view heretofore that the ocean is a bountiful expanse that can endlessly absorb all of mankind's activities, including pollution, now needs adjustment.

We should remember, however, that confrontations are also arising out of discontent with poverty and other living conditions. In today's world, it is no longer sufficient to define peace as simply "the absence of war"; rather, new thought urges that peace should mean "that condition in which people can fulfill their various desires as human beings." Regarding the guarantor of this, the security structure, there is increasing support for a new "comprehensive security" or "human security" oriented approach, characterized by a more inclusive and proactive focus.

Harmonizing Ocean Governance with the Sovereignty of Coastal States

UNCLOS, which came into effect in 1994, along with the Earth Summit, which was successfully concluded two years earlier, launched a new framework for the world's oceans, aiming for sustainable development of the ocean and the establishment of ocean governance. Regarding jurisdiction of ocean space, this new framework differs from the previous regime, in which the high seas, though theoretically open to all states, could in practice be developed and used only by those with the means to do so. With the new UNCLOS framework, management of some 40% of the high seas ocean space came under the sovereignty, sovereign right, and jurisdiction of coastal states.

However, while the UNCLOS regime parcels up vast, originally integrated ocean spaces of up to 200nm from shorelines, irrespective of function, to be managed by individual coastal states, it does not necessarily provide a concrete framework for how states are to cooperate in establishing a legal order on the oceans for promoting peaceful use, conserving natural resources, and protecting the environment. Too often this has resulted in inconsistencies between the comprehensive governance aims of the UNCLOS and Agenda 21 regime and the exercise of sovereignty by coastal states. For example, on expanding the jurisdictional boundaries of coastal countries, territorial waters of two adjoining countries were determined by a line drawn between the two. However, authorities attempting to interdict persons committing crimes at sea are prevented from pursuing culprits beyond this line, allowing their escape. This state of affairs plays into the hands of border-straddling criminals such as smugglers, human traffickers, pirates, armed robbers and maritime terrorists. Conflicts also arise between states over possession of islands, and regarding EEZs and continental shelf borders. The control of pollution and conservation of natural resources also cry out for a multilateral solution, as these problems are no respecters of borders or national sovereignty and cannot be solved by individual states focused only on their own areas of ocean space.

Today the realization is spreading that ocean governance cannot be established without an international cooperative approach that transcends each country's area of ocean jurisdiction. Based on the Securing the Oceans concept, ways must be found to reconcile the exercise of coastal states' sovereignty with the ocean governance espoused in the UNCLOS and Agenda 21 regime. Building the cooperative and collaborative framework needed to do this is emerging as an issue of importance.

The Need to Strengthen Cooperative Relationships for Comprehensive Ocean Governance

One factor that has hampered the development of such a framework is that for a large number of countries, establishing effective sovereignty over their own affairs has been given the highest priority. When problems arise and are judged to affect their national sovereignty, the tendency among these countries has been to choose a national approach over international coordination. However, it should not be forgotten that the ocean, being twice the size of the inhabitable land area, is by nature of an international character. It was in recognition of this fact that the UNCLOS and Agenda 21 regime was internationally agreed upon, in pursuit of sustainable development of the oceans for the survival and prosperity of mankind. Ocean Governance does not imply placing unfair restrictions on national sovereignty, or compromising the interests of individual states. Rather, it is a process by which each state contributes actively to the governance of the ocean in order to strengthen the foundations on which its own security rests. It is vital now that each country come to a full understanding of this, contribute to their own and mankind's benefit by helping to realize the Securing the Oceans concept, and commit to an active, effective, and harmonious implementation of the UNCLOS and Agenda 21 regime.

Participants in the 3rd international conference
“Securing the Oceans”

Tadao Kuribayashi Professor, Toyo Eiwa University
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Chua Thia-Eng Regional Programme Director, PEMSEA
John C DeSilva Vice Admiral, PVSM, AVSM (Retd.) President Centre for Marine
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**TAMING THE SOUTH CHINA SEA:
MECHANISMS AND APPROACHES**

Taipeh September 2012

Taipeh SCS Sep12 TILL Dft 1 :Scandisk/SCS2011-12;HC/LPsAsia.

Geoffrey Till

DRAFT ONLY PLEASE DO NOT CITE

Introduction

In recent times, the South and East China Seas have both seen a rise in political competition between the claimants to disputed areas within those seas and a degree of tension between some of them and external powers concerned at the manner in which these disputes might affect or complicate their economic, political or strategic interests. This increases the likelihood of regional conflict, at least to some degree.

Unsurprisingly, in this situation there has been a great deal of academic focus on the search for political solutions to these disputes and on ways of containing the problem until such time as the solutions appear.

As part of a general survey of mechanisms and approaches to the mitigation of risk in the area, this paper will concentrate on a particular aspect of this - the role of navies and coastguards in the dispute. Because the South China Sea is an essentially maritime theatre economically, geographically and strategically, navies and coastguards are at the heart both of the problem and very possible of ways of resolving or at least managing it because they are both an expression and a means of enforcing each country's perception of its maritime rights. For this reason, there is a danger that they might also become the subject of a particularly dangerous form of international competition, with some analysts warning of the dangers of a naval arms race in the region.

B: Mechanisms for the Mitigation of Risk in the South China Sea

By mechanisms is meant arrangements that seek to control behavior by structural amendments to the strategic context. Mechanisms are tools which can be made to work and to mitigate risk, provided that the necessary political will and resources are committed to the task.

This section of the paper will consider the extent to which this applies in the following three areas:

1: Finding a Means of Negotiation.

Here the Chinese insistence on bilateral negotiation between claimants and the preference of some of the other claimants for a multilateral approach is a major source of difficulty. The Chinese case is that given the over-lapping nature of the claims the situation is too complicated for a general multilateral approach, and especially for one containing outsiders like the United States or Japan. Privately, Chinese commentators make the point that negotiators can be more candid about the national sensitivities and difficulties they face and the concessions they might make in discreet bilateral negotiations than they could in more public multilateral fora.

Multilateralists, on the other hand worry about smaller countries being bullied in a bilateral setting and express doubts about Chinese promises that they would not be. They make the point that just because the claims overlap, progress can only be achieved multilaterally. Their problem though is the lack of multilateral framework which they could use. To judge by the recent inability of the ASEAN summit in Phnom Penh to issue a final communiqué that organization is fatally compromised as a negotiating forum for the settlement of the dispute by the evident differences between the claimant states on the one hand, and by the differences between them and the non-claimant states such as Thailand, Myanmar, Laos and Cambodia on the other.¹

Accordingly, the requests for support from fellow members of ASEAN by Vietnam and the Philippines have not achieved the results for which they hoped. Although there is every sign that such difficulties will be resolved sufficiently to ensure the continued progress and development of ASEAN itself, given the overwhelming interests of all of its members that it should continue to do so,² there seems very little prospect of its acting as multilateral agency for negotiating a solution to the South China Sea problem.

¹ Compare Goh Sui Noi, 'China Splits ASEAN' *The Straits Times*. 6 Aug 2012 and Sin Serey (Cambodian Ambassador to Singapore) 'Cambodia acted in ASEAN's best interests: Ambassador' *The Straits Times* 9 August 2012.

² 'United Asean and good ties with China 'reinforce each other.' *The Straits Times* 11 Aug 2012.

2: Legal Settlement

The law, it is sometimes forgotten, is a means by which disputes can be settled, but it is hard to see how this can realistically be applied to the South China Sea dispute. First of all, the patterns of claim and counter-claim in the South China Sea are inherently enormously complicated and even the legal and physical means by which they might be resolved are by no means clear. The UN Convention on the Law of the Sea, Customary Law and state practice are variously appealed to. Historic rights and claims jostle with treaty law as the basis for title. The use made of the physical characteristics of coasts, baselines, sea features and the extent of the continental shelf are all disputed. And worst, of all, the claims of the six main claimants overlap.

It is argued by the constitutionally optimistic that given the unlikelihood of the claimants being able to sort the problem out by themselves, either bilaterally or multilaterally, that recourse should be had to some form of neutral arbitration, most obviously the International Court of Justice or the International Tribunal on the Law of the Sea, in some form of consensual but mandatory means of dispute resolution. The Philippines has indeed recently offered to take its dispute with China and Taiwan to the ICJ but this has been steadfastly rejected by the Chinese. The problem for China and indeed for all the other claimants too, is that taking this route unavoidably implies that sovereignty *is* in fact disputable and the process takes a long time, costs a great deal and to judge by recent arbitrations between Singapore, Malaysia and Indonesia cannot be relied upon to produce settlements that the claimants are happy with.

Secondly and whatever Beijing might say,³ this is not a dispute from which external actors can be excluded. The United States, Japan, Australia, India are all stakeholders in the outcome to the dispute in the South China Sea, not least because of their concerns for the continued freedom of navigation through the area and their more general anxieties about the possible strategic implications of China's rise. When to this is added the intractable legal dispute particularly between China and the United States over permissible military activities in the Exclusive Economic Zone, the likelihood of the international law of the sea

³ 'Shut up, Beijing tells Washington' *The Straits Times* 7 Aug 2012.

providing a means by which the South China sea dispute can be quickly resolved seems remote.

3: Joint Development of Resources

The joint development of the resources of disputed sea areas in arrangements which shelve sovereignty claims is another structural adjustment to the context, which has been suggested by some commentators, and indeed occasionally proposed by China and other claimants. Supporters point to the precedent of Svalbard, under which Norway retained sovereignty but which allowed for protected Russian exploitation of its resources. That something of this sort is theoretically possible is supported by the three year bilateral Agreement for a Joint Marine Seismic Undertaking in Certain Areas in the South China Sea by and between China National Offshore Oil Corporation and Philippine National Oil Company which was signed in Beijing on 1st September 2004 and the similar three year tripartite agreement signed by China, the Philippines and Vietnam in Manila in March 2005.⁴ Both agreements specifically reserved their governments' position on the sovereignty issue, recognising that ' the signing of this Agreement shall not undermine the basic position held by the Government of each Party on the South China Sea issue. '

For all that, both agreements have failed to live up to expectations even though they were arrangements about seismic and other surveys, rather than about the allocation of identified resources, which with the stress given the exploitation of marine resources in the latest Five Year plans of both China and Vietnam and to the economic planning of the Aquino government in Manila, can be expected to be a much more sensitive issue than the conduct of surveys. It is undoubtedly true that major economic interests are at stake in the fish, oil and gas resources of the area. Unless one or more of the parties are prepared to make some grand political gesture by agreeing to give away some of its share of the

⁴ The English text of the bilateral Agreement can be found at <pcij.org/blog/wp-docs/RP_China_Agreement_on_Joint_Marine_Seismic_Undertaking.pdf> and of the tripartite agreement at <nghiencuubiendong.vn/trung-tam-du-lieu-bien-dong/doc_details/138-a-tripartite-agreement-for-joint-marine-scientific-research-in-certain-areas-in-the-south-china-sea> .

resources whilst retaining sovereignty (as Norway did in 1921) it is hard to see how this can be made to work, even if the economic value of the resources is found to be much less than currently anticipated and one or more of the claimants came to the conclusion that their broader interest would be better served by making some such concession.

The problem is that high expectations about the prospect of such a deal are often found to rest on the assumption that the South China Sea issue is solely about access to resources. But in fact things are not so simple; the readiness of the Russians to persist for years in the woefully uneconomic exploitation of the coal resources on Svalbard shows that for them other, more important, things were at stake. The longer the South China Sea dispute goes on, the more domestic opinion is accustomed to think of the disputed area as 'theirs,' the more it is seen as the defence of national sovereignty and hence success a kind of performance indicator for the governments concerned. The perceived failure of the Philippine government to protect Philippine interests in these joint survey arrangements mentioned above proved one of the main reasons for their failure. The general reaction of any of the claimants' 'netizens' to the latest outrage against their survey ships, fishing boats and citizens amply attests both to the public's strength of feeling about the issue and to the limited concessionary space this allows their governments.

For these reasons, it is hardly surprising that subsequent unilateral survey activity by China, Vietnam and the Philippines has become an increasingly tense affair. In 2011, Vietnam complained of harassment of its survey ships 'within its EEZ' by Chinese coastguard vessels. In February 2012, the Philippines opened the fourth Energy Contracting round by opening up 15 oil and gas blocks for exploration several of which fall within the Nine Dotted Line and some of which are within 200 miles of Nansha and Flat islands which are claimed by China, Taiwan and Vietnam.⁵ In June 2012 the China National Offshore Oil Corporation declared nine potential oilfield blocks open to bids from foreign investors in sea areas overlapping with fields claimed by Vietnam.⁶ The fact that the claimants do seem prepared to engage in unilateral action of this sort,

⁵ Greg Poling 'Arguing over Blocks: Do China and the Philippines Both have a Claim,' CSIS BLOG 14 Apr 2012. ITLOS would probably observe the equity principle and award all but a sliver of the area to the Philippines, if not all of it.

⁶ "China to formally garrison South China Sea." *Deutsche Presse, Agentur*, 23 June 2012.

whilst knowing full well the likely reaction, illustrates their strength of feeling on the matter and, accordingly, the remoteness of the prospects of the joint development of the areas resources.

4. 'The Sound of Cannon'

Of course, the final option in changing the context of the South China Sea dispute is the elephant in the room that no-one talks about, namely the use of military force to take over the disputed features, rather in the manner of China's securing of the Paracels in 1974 or Fiery Cross reef in 1989. In a rather more low key way most of the other claimants to the area, presumably influenced by the notion that possession is nine points of the law, have quietly taken over and developed many of the features they claim, such that most of the significant features in the Spratlys are actually held by claimants other than China. Impatience with this has occasionally led some in China to warn of the consequent dangers of conflict, and in a famous much quoted comment, to the 'sound of cannon'.

⁷ In the dispute with the Philippines over Scarborough Shoal, for example, the *PLA Daily* warned:

We want to say that anyone's attempt to take away China's sovereignty over Huangyan Island will not be allowed by the Chinese government, people and armed forces... (China) ...had suffered too much humiliation as its sovereignty was encroached and territory carved up when the country was poor and weak.

The same day, the *China Daily* added : 'No matter how willing we are to discuss the issue, the current Philippine leadership is intent on pressing us into a corner where there is no other option left but the use of arms.'⁸

Tempting to hard-liners though this might be, the strategic costs and risks, not least to Beijing's emphasis on its rise being peaceful would be considerable. Nothing would be more likely to reinforce the 'China Threat Theory' than Beijing's recourse to strategic force as a means of finally settling the South China Sea dispute. Incidents such as India's take-over of Goa, Argentina's occupation of the Falklands, Iraq's

⁷ Reference needed !

⁸ Articles of 10 May 2012, quoted in Michael Richardson, 'South China Sea Dispute: American tripwire for China,' *The Straits Times* 14 May 2012.

invasion of Kuwait, or Russia's operation against Georgia all suggest such a *démarche* to be possible – but extremely risky.⁹ At the moment such a prospect seems most unlikely, and China the country most likely and able to use force on a large scale has of course repeatedly said it will not do it.¹⁰ Nonetheless many of the claimants have shown a willingness to engage in 'sabre-rattling' from time to time and indeed to ensure that they have sabres to rattle, as we shall see.

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If these are the most obvious structural and mechanistic means for the resolution of the South China Sea dispute, it is hard to resist the conclusion from this quick review that any of them offer much chance of success for the foreseeable future. As a result of the failure to solve the jurisdictional dispute, many things that should be done that range from preparing international responses for piracy or disasters in the region, to coping with the increasing threats to its environmental health cannot be achieved.¹¹

The problem in effect has become a 'wicked' one with no evident prospect of resolution. By using the word 'problem' we sometimes unconsciously imply that there is an 'answer' out there waiting to be discovered some day. But this is not necessarily the case. The Berlin problem during the Cold War was one such 'wicked problem.' No solution could be found to it because there wasn't one; all that could be done was to wait until much greater changes in the international context, meant that Berlin ceased to be a problem. Until that happened all that could be done was to contain the problem and to prevent it exacerbating the general international situation.

This called for attempts to manage rather than solve the dispute not so much by creating mechanisms that change the context as by developing approaches designed to shape the behaviour of the disputing parties in ways which reduce the prospect of the problem's becoming really

⁹ James Dobbins, 'War With China,' *Survival* Aug-Sep 2012.

¹⁰ 'China Will Not Use Force in South China Sea Disputes' *BBC News* 14 June 2011.

¹¹ 'Scientists call for access to S. China Sea' *The Straits Times*, 7 August 2012.

dangerous. It is to this perhaps more hopeful issue that we should now turn.

C: Approaches

1: An Agreed Code of Conduct

The aim of the Declaration of Conduct agreed in 2002 was to limit the extent to which the parties could make the situation worse by engaging in risky or provocative behavior. At the time it was generally agreed that to have this desirable effect the Declaration should be operationalised into a mandatory Code of Conduct, but progress in achieving this end has been extremely slow. One of the problems has been China's unwillingness to accept the idea that ASEAN should consult together before talking to China, and hence in effect handling the matter multilaterally. Nonetheless discussions produced a set of guiding principles for the defining the Code, which many observers regard as, at most, a somewhat limited step in the right direction, whilst others, of a more optimistic turn of mind, judge it rather more favourably.¹² However that may be, in the meantime, the absence of such a Code has allowed most of the claimants to engage in activities such as allowing provocative incidents at sea, building up defences in occupied South China Sea features and so forth which can only worsen the situation. This increases, rather than reduces the prospects or risk.

Thus, according to one Hong Kong based media group the problem was the activities of certain countries: "double speed-up" (雙加快) (speed-up of actual occupation 加快事實佔領 and speed-up of unilateral exploitation 加快獨自開發) along with three "becomings" (化) -- "military stationing becoming normal practice, military fortification becoming perpetuated, and military position becoming deeper." (駐軍常態化、工事永久化、陣地縱深化).¹³ The same source claimed that alongside the strengthening of military control over the islets and rocks in the South China Sea, especially in the Spratly Islands, by intra-regional States, the maneuvering of American forces in the region along with American policy of "return of the U.S. to Asia" all necessarily harden

¹² 'S China Sea code of conduct in the works' *The Straits Times*, 9 August 2012.

¹³ See: "China Must Curb the Relevant Activities of Occupation on Islets by Nan-Hai Countries: Hong Kong Media Says" (港媒稱中國須遏制南海諸國侵佔島礁相關活動), in Chinese, at <http://mil.news.sina.com.cn/2009-07-14/1218558823.html> (accessed 12 December 2009).

China's attitudes. And, of course other claimants have and express equivalent views.

For this reason, the search for bilateral and multilateral agreements on how to manage disputes and incidents at sea continues. Despite their all too evident differences, for example, Vietnam and China have signed in Oct 2011 an agreement on the handling of the dispute.

2: The Avoidance of Strategic Surprise

Connected with this should surely be the avoidance of strategic surprise, for countries often behave intemperately when they conclude that they can take advantage of surprise or they are caught by surprise. The classic example of this has to be Britain's failure to recognise the deteriorating situation over the Falklands before the Argentine invasion of 1982.¹⁴ In 1995, the Philippines was surprised and dismayed when it discovered that the Chinese had occupied Mischief reef, their surprise coming from the low levels of maritime domain awareness that their naval air and coastguard forces were capable of achieving. For this reason most of the claimants have devoted significant effort to improving their capacity to monitor what is going on in what they regard as their maritime estate. Thus the Chinese build-up of their various coastguard agencies and the Vietnamese in June 2012 started regular air patrols over the Spratlys.¹⁵

This is not just an issue of maintaining and developing their capacities for Intelligence, Surveillance and Reconnaissance (ISR) but also of levels of strategic and political attention. Politicians in the claimant countries, of course, have many other distractions and concerns. But the rising tide of nationalism and its focus on sovereignty issues in the South China Sea means they will have to pay more attention to the avoidance of surprise than perhaps they used to.

3: The Provision of Incentives for Moderation

¹⁴ For a readable accounts see, Jimmy Burns, *The Land That Lost its Heroes: How Argentina Lost the Falklands War*. (London: Bloomsbury, 1987) and Nick Barker, *Beyond Endurance* (London: Leo Cooper, 1997).

¹⁵ Carlyle A. Thayer, 'From Aggressive Assertiveness to All Quiet on the The East Sea Front; The South China sea as an issue in China-Vietnam relations' Presentation to CSIS Conference, 27-8 June 2012.

As we saw earlier, the domestic political and economic costs of concession could be high and some effort may need to be made to compensate for this by the provision of incentives for moderate behavior. How this principle is applied depends on what the problem is thought to be. If for example, it is seen as one of small countries 'getting the dragon by the tail', then external countries should clearly avoid inadvertently encouraging them into risk taking behaviour by over-arming them or by providing limitless guarantees. This no doubt explains American wariness in over-committing itself to the defence of Philippine (or even Vietnamese) interests or to abandoning its ostentatious policy of neutrality over the key issue of who owns what in the South China Sea.

If, on the other hand, the problem is thought to derive from the activities and policies of an over-assertive China, then such incentives might well derive from a common ASEAN response intended to make the point to Chinese hard-liners that assertive behavior can only reinforce the 'China Threat theory' of which Beijing so understandably disapproves, but as we saw earlier, the chances of this happening are not high, because the organisation has to maintain neutrality on the sovereignty issue and is accordingly reluctant to take positions even on political actions taken in defence of that sovereignty such as those by the Philippines and Vietnam in recent years.¹⁶ Thus Vietnam was quite successful in its attempt to rally ASEAN support and to internationalise the issues at the ASEAN Summit in 2010 (which included Hillary Clinton) and also got the matter raised at the ADMM+(ASEAN Defence Ministers Meeting+) meeting in October 2010 in Hanoi.¹⁷ The sustainable benefits of this for Vietnam remain unclear however.

Given the unlikelihood of high cover from the US or ASEAN, Vietnam, the Philippines, Malaysia, Taiwan (and to an extent Brunei too) have all, like China, been building up their naval and coastguard capabilities - but in their case by appealing for assistance from foreign defence manufacturers. Thus, the Aquino government appears to have learnt the lessons of past inattention and general unreadiness and is now investing in the most serious rearmament programme for years, with a

¹⁶ Ian Storey, 'ASEAN and the South China Sea: Movement in Lieu of progress' *China Brief* . 26 April 2012.

¹⁷ 'Philippines Flags Great US presence', *AFP* 27 Jan 2012.

great deal of US and Japanese help. Philippine officials have said the government is also looking at buying more ships, helicopters, jet trainers and air defense radars better to patrol its territorial waters and safeguard its South China Sea claims.¹⁸

From Manila's perspective, the involvement of the US and Japan, for all its limits, is a useful means of drawing in outsiders in order to rebalance against an over powerful China. Clearly, the United States given its recent pivot towards Asia is not averse to this – up to a point. Thus in the immediate aftermath of the Scarborough Shoal incident, American and Philippine forces conducted the 'Balikitan 2012' exercise. It was, of course, a routine annual exercise – the 26th in fact- but it was held on Palawan and did have a scenario involving the capture of an island.¹⁹

Admiral Willard when welcoming the offer of greater facilities in the Philippines:

Such cooperative efforts would as well result in achieving a balance of influence to ensure peace, stability, and economic development in the region...We would welcome discussions with the Philippines along those lines, but there's no aspiration for bases in Southeast Asia.²⁰

The careful phraseology of the US-Philippine Joint Statement of 30 April 2012 emphasised the need for mutual support, multilateral solutions and so forth but avoided giving any specific guarantees of American support for Philippine claims. This may well have been intended to leave room for constructive doubt in Beijing about exactly what the US response would be in the event of some Chinese demarche on Philippine interest in the area.

This is all most unwelcome to China of course, but the advocates of such a policy argue that by engaging in a South China Sea policy that its critics regard as overly assertive China is in effect 'encircling itself' by sparking a set of international responses in stark contrast to the earlier success of its smile diplomacy in the early parts of the 21st Century. Advocates of such

¹⁸ 'US Filipino Marines Hold Combat drills near South China Sea,' *AFP* 23 Oct 2011.

¹⁹ 'Nimby's in the South China Sea.' *Foreign Policy* 24 May 2012.

²⁰ 'Philippines Flags Great US presence', *AFP* 27 Jan 2012; 'Joint Statement of the US-Philippines Ministerial Dialogue', Office of the Spokesperson, Washington, 30 April 2012.

a policy might therefore argue that such responses might actually re-rather than de-stabilize the situation in the South China Sea.

4: The Adoption of Clear and Consistent Positions.

For all the alleged advantages of constructive ambiguity in American and other external support for local claimants, there is a widespread and persuasive argument that there is benefit in advancing clear and consistent claim statements that leave no room for anecdote and instead provide the best basis for evidence-based policy. The infamous ambiguity of China's Nine Dash Line is perhaps the clearest example of this. China's 'note verbale' of April 2011 relating to the Vietnamese and Malaysian joint claim for an extended continental shelf for example, was widely taken to state that the 'Nansha islands "meet the requirements of Article 121 to have their own EEZ and continental shelf" but nonetheless do not exclude the possibility that China may also be claiming (not historic waters') but 'historic rights' (for fishing and so forth) *outside* the maritime zones that the features would generate under UNCLOS.²¹ While this is one of the more frequently cited examples of cloudiness, it is by no means unique. There are significant ambiguities on most of the other claims too.

It may well be this ambiguity is the result of inattention, competing views and indecision on the part of the many agencies involved in the claimant's South China Sea policy. In China's case, this may in turn explain the debate in March this year about whether China should not form a Ministry of the Oceans in order to establish and integrate its maritime policies rather more coherently. In March 2012 the *South China Morning Post* claimed that China intends to publish a map of the South China Sea this year to 'strengthen their claim to the disputed region.' Creating the map would be part of a national campaign with contributions from a dozen ministries. The publicity department of the Chinese Communist Party's would also help raise public awareness of the country's territories. The need for this shows that even in China, a country long regarded by outsiders as uniquely capable of sophisticated and integrated long-term planning, the situation seems very different to insiders. Thus Rear Admiral Yin Zhuo, Chairman of the Expert

²¹ PRC 2011 *Note Verbale*, paragraph 2 and 4.

Committee on Navy Informationalization: 'China does not have a clearly defined ocean strategy at the national level.' Economic considerations dominate the policies of agencies within the State Oceanic Administration and 'naturally the Navy has its own ocean strategy considerations, but these are all actions by certain departments and not at the national level.' Such concerns have led in China, as elsewhere, to calls for the establishment of a "Ministry of Oceans."²²

It is of course true that the first reaction to the more specific articulation of China and everyone else's claim is very likely to be hostile. This prospect has been very evident in recent weeks. For example Vietnam's National Assembly has passed in 2012 a maritime law that laid the legislative basis for control of what it considers its territorial sea, EEZ and continental shelf its consequent title to the islands and features of the South China Sea. In response China protested and this was followed by its elevating the 'city' of Sansha on Woody Island in the Paracels to prefectural level and in July, via a low key website announcement that it will establish a military garrison on the island from which it will administer the Paracels, Spratlys and Macclesfield Bank -- and their surrounding waters.²³

While of course domestic legislation of this sort does not in itself constitute a legal basis for China's claim, at least it makes clearer what that claim actually is. Although we have here concentrated on ambiguities in the Chinese position and the harmful effect they might have, much the same could be said of the other claimants to the area too and so, paradoxically, greater clarity may be a step forward, although, admittedly it could also make a concessionary step back more difficult.

5: Controlling the atmospherics

²² 'China blamed for escalating East Sea tensions' , www.thanhniennews.com, March 30, 2012;

Quoted in James Holmes, *China's Maritime Strategy is more than Naval Strategy* China Brief, Jamestown Foundation, April 2011; 'General calls for New Coastguard to patrol South China Sea' *Wall Street Journal*, 7 Mar 2012; 'Calls for Establishment of Ministry of Oceans' *Xinhua*, 5 Mar 2012.

²³ *Deutsche Presse, Agentur*, 23 June 2012.

As already noted the *Global Times* newspaper, owned by the People's Daily, recently warned those who dispute Chinese claims to be "mentally prepared for the sound of cannons," a threat that was noted around the world. There is a perception that China's alleged assertiveness has been driven by the military, probably against the advice of its more moderate diplomats.

At the same time the defence of China's interests in the South China Sea against continuing encroachment by the minor powers of the area does undoubtedly provoke nationalist sentiment amongst its netizens and there are limits to the extent that China (or indeed any other of the claimants) can ignore such feelings. In the same way, there were eleven public demonstrations in Vietnam between June-Aug 2011, a virulent internet war and even apparently a number of cyber attacks of relevant websites in Vietnam and China. This raises the general issue, even in democracies such as the Philippines as to whether such information-technology-empowered social media are getting into a position where they can dangerously affect policy-making.

For all these reasons there would be clear benefits for the stable management of the South China Sea issue if the claimants were able to tone down the rhetoric and adopt President Deng Xiaoping's maxim about maintaining a low keeping a low profile instead.²⁴ From this perspective it is encouraging that both China and Vietnam have agreed to try to 'steer public opinion', and that there are moves to constrain overly assertive military figures in China as elsewhere.²⁵ On the other hand it will be difficult for governments to hide incidents and especially concessions from increasingly techno-savvy domestic audiences.²⁶ All too evidently, 'strategic communications' are becoming more and more important as a means of safely handling contentious matters like the South China sea dispute.

6: Enclaving the South China Sea Dispute

²⁴ Philip Bowring, 'The Coalition against Chinese Hegemony in Asia' *Wall Street Journal* 29 Nov 2011.

²⁵ 'Party moves to rein in the generals' *The Straits Times* 9 August 2102.

²⁶ Carlyle A Thayer, "From Aggressive Assertiveness to All Quiet on the East Sea Front" Presentation at CSIS Conference, Washington, June 2012.

Here the idea is to limit the damage the dispute might do by diplomatically enclaving not just the Spratlys as President Aquino has suggested but the whole of the South China Sea from the rest of the relationship between the claimants. It is to accept that there is a dispute over sovereignty but to insulate the rest of foreign policy from its effects as much as possible. This clearly can be done, not least because the dispute is but a part of developing and much wider set of economic and political relationships between all the claimants. Such a policy would have the benefit of reducing the apparent importance attached to the issue in comparison with the more general pursuit of economic prosperity and political stability in the region.

This presumably is the thinking in Vietnam and China over the maintenance of other linkages between the two countries even at a time when the dispute itself becomes virulent. Thus there have continued meetings of the Deputy Prime Minister-level Joint Steering Committee, together with regular meetings of the Strategic Defence Security Dialogue, and other meetings of senior party officials of the two countries. Trade goes on and the two navies continue to maintain joint patrols in the Gulf of Tonkin.²⁷

Such an approach in risk mitigation would of course argue against the wisdom of pressurizing other claimants by 'coincidental' economic pressures such as the constraints put on the export of rare earths to Japan at a time of dispute over the islands of the East China Sea or on the alleged healthiness of Philippine bananas during particularly tense parts of the stand-off over Scarborough Shoal earlier this year.

7: Manage Naval and Coastguard Relations.

The simple fact that the South China Sea dispute is an essentially maritime one highlights the importance of assuring good relations between the various agencies of maritime enforcement in the area, namely local navies and coastguard forces, since they are likely to be at the forefront of any incident and difficulty. And here there are certainly causes for concern. In the first place, the navies of the area are engaged in

²⁷ Carlyle A. Thayer, 'From Aggressive Assertiveness to All Quiet on the The East Sea Front; The South China sea as an issue in China-Vietnam relations' Presentation to CSIS Conference, 27-8 June 2012.

extensive programmes of modernization and it is not inconceivable that this could degenerate into a naval arms race, given the level of political dispute that exists. In short, difficulties in the South China Sea could spark a level of naval competition in the area which could in turn destabilize local political relationships, and make the resolution of that dispute, or even its management, much more difficult.

The modernisation of Asian naval forces began in the 1980s as part of a growth in its share of global defence expenditure from 11 per cent in the mid 1980s to 20 per cent in 1995 with a corresponding leap in the region's arms imports.²⁸ A natural reflection of Asia's growing economic clout and political confidence, together with a need to replace obsolescent second-hand equipment acquired decades before, this was more a 'festival of competitive modernisation' than a potentially destabilising naval arms race as generally understood. In any case, it was largely brought to a halt by the Asian financial crisis of the late 1990s.

By the early 2000s most countries in the region had recovered from this crisis sufficiently to resume naval modernization programmes funded by steadily increasing levels of defence expenditure. Now the region is seeing remarkable growth in the composition and operational aspiration of its naval forces.²⁹ The US-based naval consultancy firm AMI International anticipates a naval spend in the Asia-Pacific of some US\$ 170 billion by 2030; the Asia-Pacific naval market as a whole is expected to move past NATO countries to become the second largest source of future naval spending after the United States.' Asia already spends more on defence than does Europe.³⁰ According to the French naval armaments firm DCNS, the Asia-Pacific region is considered 'as a future centre for

²⁸ Desmond Ball, in 'Naval Acquisitions in Northeast Asia: modernization or arms racing?' Unpublished notes for Seminar on *Enhancing Asia Maritime Security and Confidence Building measures*, Singapore 26 Jan 2010.

²⁹ Richard Bitzinger, 'A New Arms Race? Explaining Recent Southeast Asian Military Acquisitions' *Contemporary Southeast Asia*, Vol 32, No 1, 2010 ; 'Arms drive' in South East Asia, BBC on line, 15 Mar 2010.

³⁰ Robert Karniol 'Boom time ahead for Asia-Pacific navies.' *The Straits Times*, 9 Nov 2009. I am extremely grateful to Bob Nugent, Vice President of Advisory Services of AMI International (see <http://aminter.com>) for these figures and for his personal support of this project

defence business...The defence market in the Asia-Pacific should be, in about 2016, a major market – even above the US.’³¹

It is true that this development is to be expected given the region’s developing economic and industrial power, and the strategic importance of the sea to its peace and prosperity. It is also true that most navies in the region are developing balanced portfolios of capability, at least to the extent that their economies will allow, rather than narrow programmes that seem to be specifically aimed at another country, rather in the manner of British and German naval acquisition programmes before the First World War or The Japanese and American before the Second. Nonetheless there is enough of a sense of nationally-specific competition, for example in the difficult naval relations of North and South Korea, the much discussed competition between Chinese anti-access/area denial strategies and the American concept of Air-Sea Battle, and indeed, nearer to home, the question of the military balance across the Taiwan Strait to raise concerns about the consequence of this naval modernization.

These concerns seem especially acute when we consider the particular area of submarine development, since submarines have a narrower range of capabilities than other naval platforms and these are primarily to be found at the high-intensity war-fighting end of the spectrum of naval capability. They are of limited utility when it comes to the low-intensity protection of maritime security against pirates, illegal fishing and the like; they are expensive and technologically demanding. Operating them in areas like the South China Sea is especially difficult and the possibility of significant accident can certainly not be ruled out. For all that there is no doubting that the countries of the South China Sea region are building up their submarine capacities.

The Chinese submarine force now stands at some 60-70 units including at least six nuclear powered SSNs and over 50 diesel-powered SSKs; the newer classes in both categories such as the 6000 ton *Shang* class SSN and the *Song* and *Yuan* classes of SSKs represent a significant up-grade of Chinese submarine capabilities and has raised a number of operational

³¹ Robert Karniol ‘Boom time ahead for Asia-Pacific navies.’ *The Straits Times*, 9 Nov 2009. I am indebted to Bob Nugent Vice-President [Advisory] of AMI International (<http://aminter.com>) for these figures and for his personal support of this project. ‘DCNS plans to expand business in Asia Pacific’ *Jane’s Defence Weekly* 11 Nov 2009.

and strategic concerns for the US as well as other powers in the region. Although sophisticated wake-homing torpedoes have been developed (particularly effective against vessels with large wakes – like aircraft carriers), Chinese submarines (such as the *Kilo* with its *Sizzlers*) appear to be optimised for shooting ASCMs not least the new H-6K/M cruise missile which suggests a developing capacity to reach as far as Guam, a possibility that might require the hardening of military facilities there.³² The Chinese Navy's focus on the procurement of submarines is entirely consistent with a strategy of sea denial intended to defend the maritime approaches to China against intruding naval forces bent on attacking the mainland. It is also seen as evidence of a desire to deter external intervention in any future conflict with, and/or over, Taiwan.

The comparatively modest Chinese SSN programme, and the development of an ambitious new nuclear submarine base at Yalong Bay near Sanya in Hainan province, suggests an interest in operational speed and a capacity to range well beyond China's immediate area. Even so, the bulk of China's submarine force is especially suited for operations within the First Island Chain. China's SSBN programme has only made slow progress.

Anxieties about China have recently led to a change in Japan's submarine-replacement rate, which will eventually lead to an increased force of some 22-24 submarines. There has even been talk of Japan's acquiring an SSN on lease from the US. The Japanese are placing an increasing emphasis on building up their ASW capacity and take Chinese capabilities as a benchmark of what is required. Hence the JSMDP now has 30 undersea SOSUS-type arrays connected to 14 shore stations, ideally deployed to monitor Chinese submarines transiting from the East China Sea to the wider Pacific Ocean.³³

India's plans are more problematic. It currently maintains 16 SSKs but has an ambitious submarine programme of modernising existing forces, while developing new ones in order to serve standard sea denial/control purposes. In 2007, the upgraded Mazagon dock in Mumbai began the construction of the first of six advanced French-designed *Scorpene* SSKs

³² 'China Ramps Up Missile Threat with DF-16' *Defence News* 21 Mar 2011.

³³ Desmond Ball, in 'Naval Acquisitions in Northeast Asia: modernization or arms racing?' Unpublished notes for Seminar on *Enhancing Asia Maritime Security and Confidence Building Measures*, Singapore, 26 Jan 2010.

and the navy has launched another project for six locally produced submarines. Admiral Mehta was particularly keen for India to develop more of an all-round indigenous submarine capability, but for the time being it will need to rely heavily on foreign expertise.³⁴ According to India's Comptroller and Auditor General's report, project delays, however, are likely to mean, that given the need to de-commission its older submarines, the Navy might have to operate with less than half its current active submarine fleet. To compensate for this serious shortfall India is in the market for an additional six SSKs with air-independent propulsion under Project-75 India, but that project has also run into trouble.³⁵

Additionally, Indian SSN/SSBN aspirations are expanding too. The country began its programme to develop an indigenous a nuclear ballistic missile submarine project, the Advanced Technology Vessel [ATV] in the 1970s but only in December 2007, did Admiral Mehta, finally confirm the Navy's intent to take the nuclear deterrent to sea.³⁶ India was helped in this programme by leasing 4,000 ton Russian 'Charlie 1' Type 670A SSN in 1988-1991, an arrangement which facilitated the design and build of its first SSN, *INS Arihant* which was launched at \$2.9in billion in July 2009, a major step in the country's naval and defence-industrial development; this submarine is expected to be the first of a class of five SSNs under this programme.³⁷ The *INS Arihant* is scheduled to commission in early 2012, and to be equipped with four K-4 x 3,500 km nuclear-tipped missile or 12 x K-15 *Sagarika* 750 km missiles and more such submarines are expected to follow. India has now lease4d a much larger 12,000 ton *Akula II* SSN from Russia, despite delays in repairs after the accident to the *Nerpa* in the Sea of Japan in November 2008, which killed 20 crew members.³⁸

³⁴ 'India to acquire six more submarines: Naval Chief' *The Hindustan Times* 9 May 2008.

³⁵ 'India approves additional payment for delayed subs' *Jane's Defence Weekly*, 17 Mar 2010. India to Let Bids for Six Submarines' *Defense News* 26 July 2010. 'Biggest military deal: Six subs for Rs 50,000 crore' *The Times of India* 11 July 2001; 'Induction of Scorpene submarines delayed by three years', *Hindustan Times*, 23 Feb 2011; 'India close to receiving Akula class submarine' *Jane's Defence Weekly* 31 Aug 2011

³⁶ 'India poised to complete Russian SSN leasing deal' *Jane's Defence Weekly*, 14 Nov 2007.

'India to launch indigenous n-submarine by '09: navy Chief' *The Indian Express*, 4 Dec 2007.

³⁷ India set to launch nuclear submarine, *Financial Times*, 9 July 2009; India's nuclear-powered submarine ready UPI New Delhi, 27 July 2009..

³⁸ India still wants sub, *Defence Technology International*, Dec 2008; Repairs of India-bound Russian sub hit by lack of funds AFP 8 Oct 2009.

Finally, current planning in the US Navy calls for 48 SSN, and centres on the successful *Virginia* programme, which most unusually is ahead of schedule and below budget,³⁹ and which currently confers a considerable ASW advantage over China. The US Navy is exploring options for a later follow on class of much smaller nuclear submarines nonetheless capable of carrying a number of the smaller manned and unmanned platforms now considered essential for littoral operations, and is in the early stages of renewing its SSBN force.

As far as the main four naval powers of the region are concerned, it is not just a question of their developing their submarines, but of exhibiting an increasing tendency to use them robustly. A Han class submarine was detected in Japan's territorial waters in 2004, and five warships operated in close proximity to Chinxiao gas field in the East China Sea, an area disputed with Japan, in September 2005.⁴⁰ In November 2006, in an incident which some construed as a part of China's preparations for a campaign of sea denial, a diesel-powered Song submarine surfaced within five miles of the *USS Kitty Hawk* battlegroup operating near Okinawa. Denying this was a deliberate part of their developing anti-access strategy against the United States, the Chinese claimed it to be nothing more than an accidental encounter, and that the submarine in question did not have the speed to trail the battlegroup. Perhaps in part because of their embarrassment at having been thus surprised [to the extent they were], and partly in a bid to prevent this incident turning into a crisis, the response of US Fleet Commander, Admiral Fallon was quite muted. He pointed out that the battlegroup had not been exercising its ASW capabilities at the time but if it had been 'and if this Chinese submarine came in the middle of this, then it could have escalated into something that could have been very unforeseen.'⁴¹

Nonetheless, American concern at these kind of developments has resulted in a significant shift in the deployment of its submarines to the Pacific from elsewhere and to a more public use of its SSGNs more

³⁹ The *Seawolf* programme is reckoned to have cost about \$7.3 billion in R&D and 14.2 billion in construction and outfitting in 2010 dollars. 'USS Missouri leading way for new wave of submarines' *Military News*, 4 Aug 2010. 'New US Attack Subs Getting Their 'Sea Legs.' *Defense News*, 13 Sep 2010.

⁴⁰ Ronald O'Rourke, *The Impact of Chinese Naval Modernization on the Future of the United States Navy* (New York: Novitka Books, 2006) p 25

⁴¹ 'Chinese Sub Got Within Striking Range of US Ship' *Gulf Times* 14 Nov 2006 *Washington Times/Post* 11 Jan 2007. Accounts of this incident vary widely. See O'Rourke, op cit, p 44.

recently. This is but a part of the much discussed American 'pivot' towards Asia successively announced by President Obama and his Secretaries of State and Defense over recent months. In like manner, if on a smaller scale, part of the reason for the strategic shift to the South-west announced by the Japanese 2010 Defence White Paper has plainly been a concern for the consequences of a build-up in China's submarine capacity in the area. It is also hard to avoid seeing possible linkages between this and the recent strengthening of maritime relations between Japan and the Philippines evident before and during that country's stand-off with China over the Scarborough Shoal incident from March 2012.

The same kind of developments, though in more minor key can be seen in the developing submarine programmes of many other countries in the region. The ROK's acquisition of modern, medium-sized KSS II and the more capable KSS III suggest a step-change in that country's underwater capabilities, especially with the acquisition of Air Independent Propulsion systems⁴² [AIP] and the fitting of cruise missiles; some have even suggested that the ROKN explore the acquisition of nuclear propelled submarines eventually to replace its nine Type 214 submarines. To supplement its upgraded Challenger class submarines, Singapore has commissioned the first of two very modern *Archer* class *Västergötland* class submarines retro-fitted with AIP from Sweden.⁴³ At the commissioning ceremony, Defence minister Ng Eng Hen noted that other Southeast Asian navies were cranking up their submarine programmes and said that Singapore would keep pace with these developments. Indonesia, Malaysia and Thailand are likewise developing or enhancing their submarine capabilities.⁴⁴ Thailand has agreed in principle to buy two second-hand Type 206A submarines from Germany and in principle would like to acquire another four but parliamentary approval for this programme has yet to be won.⁴⁵

Vietnam has ordered six Project 636 Varshavyanka (Kilo) submarines from Russia, part of an extensive package intended to revive its navy and

⁴² Richard A Bitzinger *Air-Independent powered Submarines in the Asia-Pacific: Proliferation and repercussions* Singapore: RSIS Commentary 62/2009.

⁴³ 'Singapore receives first Archer-class submarine' *JDW*, 7 Sep 2011. 'RSS Archer submarine now operational' *The Straits Times* 3 Dec 2011;

⁴⁴ Kelvin Fong, 'Asian Submarine forces on the Rise' *Australian Defence Journal*, May 2009. Pp 23-27; Malaysia: Country Briefing, *Jane's Defence Weekly* 7 April 2010. But see 'Thailand Submarine plan torpedoed' *Bangkok Post*, 20 Sep 2011.

⁴⁵ 'Defence in Thailand' *Asian Military Review* Nov 2011.

coastal defence forces and to develop sea-denial capabilities that are clearly aimed at China.⁴⁶ According to its 2009 Defence White Paper, Australia's submarine fleet is to be doubled to 12 boats, equipped with cruise missile, a similarly ambitious project given its past and present difficulties with the now very capable *Collins* class.⁴⁷ Submarine numbers in the Asia-Pacific are expected to increase markedly over the next couple of decades, not least amongst the smaller and lesser naval powers where they are seen as a force equaliser.⁴⁸ With this can be expected significant improvements in local anti-submarine warfare capacities. Developments here will include technological advances such as the future *Red Shark* 20 km range anti-submarine torpedo being developed for the ROKN, and tactical ones such as the Australian 'ASW Roadmap'.⁴⁹

While submarine development might well be cited as a particularly worrying aspect of naval modernization, many of the concerns it raises can be applied to most of the other aspects of that modernization in the region as well. Naval modernization raises three main areas of concern, and specific attempts to mitigate them make an important contribution to the relaxation of tensions in the South China Sea

The first is that at the moment there are few if any of the specific constraints on competitive naval development that emerged for example during the Cold War, and before, in the shape of arms control or incidents at sea agreements. For a variety of reasons, the US and Chinese navies have been unable to conclude any "Incidents at Sea agreement" such as those negotiated with the Soviet Union during the Cold War, for example. These kinds of arrangement were in the Cold War and could well now become now a major means of 'risk mitigation.' Hence it is worrying that the 1988 Military Maritime Consultative Agreement between China

⁴⁶ Reports: Vietnam Orders 6 Russian Subs, *Defence News*, 4 May 2009; Vietnam looks to expand coastal defence assets' *Jane's defence weekly*, 24 Aug 2011; 'Vietnam eyes naval boost against China' *The straits Times*, 14 Nov 2011.

⁴⁷ Rear-Admiral Chew Men Long, interview, op cit.; "Australia's Future Submarine Capability" *Semaphore* Issue 14, Oct 2009; Julian Kerr, 'Australia tests the water for procurement challenge' *Jane's Navy International*, Jan/Feb 2010.; Ross Babbage, 'Why Australia Needs Nuclear Subs' *The Diplomat* 8 Nov 2011.

⁴⁸ Andrew Davies, 'Up Periscope: the expansion of submarine capabilities in the Asia-Pacific region', *Journal of the RUSI*, Oct 2007 pp 64-69: 'Launch of mystery Chinese SSK fuels submarine race in Asia' and 'First Vietnamese submarine begins construction' *Jane's Navy International* October 2010..

⁴⁹ 'South Korea fast-tracks cruise missile and torpedo programmes' *Jane's Defence Weekly* 26 Aug 2009; Andrew Davies 'The Enemy Below: Anti-submarine warfare in the ADF' Australian Strategic Policy Institute, 2007.

and the United States has so far achieved little, and that the Code for Unalerted Encounters at Sea (CUES) remains a voluntary rather than mandatory activity.⁵⁰ The problem in both cases, of course is sensitivity about the status of the sea areas –given the jurisdictional dispute in the South China Sea - in which such arrangements could be implemented.

Secondly, levels of transparency about naval intentions remain low, especially in China and southeast Asia, and this could easily lead to ‘worst case analysis’ and to increases in suspicion and tension. Instead there is a wealth of neighbourly rhetoric and, to be fair, reasonable levels of cooperative endeavour against common threats such as piracy in the Straits of Malacca and so forth. All the same, there is good reason to doubt that this provides sufficient defence against the prospect of naval modernization turning into destabilizing competition at some future date. Accordingly, analysts and sailors have pointed to the advantages of a greater emphasis on the kind of closer and more candid and open maritime relationships envisioned, for example in the American concept of a Global Maritime Partnership or the Chinese concept of a ‘Harmonious Ocean.’ There have been improvements in transparency, for example, in Chinese Defence White Papers but analysts have nonetheless pointed out that the 2010 Chinese Defence White Paper for example made no mention of the DF-21D, the J 20 or the prospective launch of the country’s first aircraft carrier and so provided a distinctly inadequate guide even to China’s short term intentions. It cannot, however, be said that China provides a unique example of the opacity of Asian defence decision-making which generally appears in strong contrast to the almost embarrassing candor of the American, and to some extent the Indian, systems. This is a regional problem, not just a Chinese one.

The obvious response to this would be to encourage the kind of naval togetherness through regular meetings, the holding of joint exercises and so forth that would improve familiarity with other navies and, importantly, with their personnel. While obviously no general panacea (relations between the British and German navies in the Summer of 1914, after all, were considered at the time to be quite exceptionally good !) this kind of

⁵⁰ Bonnie Glaser, ‘Armed Clash in the South China Sea’ Contingency Planning Memorandum No 14, (Washington: Council on Foreign Relations, April 2012).

bilateral and multilateral cooperation seems likely to improve transparency, unless, that is, it seems aimed against some third party.

There are increasingly encouraging signs of naval togetherness in the region, along MALSINDO and ReCaap lines. Thus the recently announced accord between the navies of Vietnam and Indonesia. The Vietnamese Prime Minister Nguyen Tan Dung, visiting Jakarta in July 2011 said his country and Indonesia needed to better patrol their border. "We agreed to task our foreign ministries with negotiating and signing an agreement to establish joint patrols in the sea area and lines of communication between our two navies," he said.⁵¹ In addition to this, greater transparency in doctrine, policy and acquisition programmes would help improve the atmosphere. By such means naval and coastguard activity *could* be a way of actually improving the situation. But navies and coastguards are only instruments of national policy and real solutions must be sought in the realm of political agreement.

Thirdly the public mood in much of the area is exhibiting an enthusiasm for active naval development and use that is not entirely dissimilar to the nationalistic *Dreadnought* fever of Britain and Germany before the First World War. Were this, aided by social networking sites, to become still stronger it might, in a crisis, force governments into more robust policies of acquisition and use than they might otherwise wish.⁵² Endeavoring to discourage, or at least not to encourage, this could be an important part of the point about improving the atmospherics noted earlier.

In this connection it is often argued that the use of coastguard forces rather than navies in the patrol of disputed areas of the South China Sea would reduce levels of tension and the possibility of probably inevitable incidents at sea escalating dangerously.⁵³ There is much to be said for this, and since coast guard vessels are generally cheaper to build and operate than warships they would seem to be more cost-effective in the defence of low-level maritime security as well. On the other hand, there is the

⁵¹ 'Indonesia, Vietnam Agree Joint patrols' *AFP* 15 Sep 2011.

⁵² Tokyo's foreign policies under fire in latest polls, *The Straits Times*, 8 Nov 2010; Coastguard video riles Japanese lawmakers' *The Straits Times*, 2 Nov 2010 ; Kan govt rapped as 'weak-kneed' *The Straits Times*, 4 Nov 2010.

⁵³ See for example, Sam Bateman, 'Regional navies and Coast Gurads: Striking a Balance between 'Lawships' and Warships' in Jane Chan and Geoffrey Till (Eds) *Naval Modernisation in Southeast Asia: Nature, Causes and Consequences in a Troubled Sea* (London: Routledge, 2013)

point that coastguard forces can behave aggressively too. After all, the *Impeccable* incident of March 2009, the Chinese-Philippine stand-off in Scarborough Shoal and the cable-cutting incidents off Vietnam all show a propensity for excessively assertive action by coast-guard forces. Indeed they may even feel freer to engage in provocative behaviour simply because they are *not* navies. Moreover, they have budgets and institutional interests to defend just like navies do and a hard enforcement line might well be thought a means of defending them. Finally regional coastguards have varying relations with their navies and are not that easy to compare.

Very evidently, the notion that maritime enforcement in the South China Sea should be left to coastguards rather than navies as a risk mitigation strategy is more complicated than might appear at first glance. Indeed there is much to be said for the idea that some form of Coastguard forum for the region be established so that the various coastguard forces of the area should get to know each other better, in just the manner suggested for navies earlier.⁵⁴ It is easy to be cynical about the prospects of this kind of recommendation, but as Winston Churchill once said ‘jaw,jaw is better than war war’

Conclusion

It seems fair to conclude that the South China Sea Dispute is indeed a ‘wicked’ one with very little prospect of resolution in the foreseeable future, given the nature of the international context. Moreover, there are potentially dangerous aspects to it which could lead to increased level of regional tension, even conflict in some malign circumstances. Accordingly, there is an evident need to look seriously at the various ways in which the strategic behavior of the claimants, and of other states interested in the outcome to the dispute, could and should be constrained and moulded in order to ensure that the dispute does not degenerate into conflict. Of these perhaps the most pressing has become the need to ensure that naval and coastguard development in the region does not exacerbate rather than improve the situation.

⁵⁴ Bonnie Glaser, ‘Armed Clash in the South China Sea’ Contingency Planning Memorandum No 14, (Washington: Council on Foreign Relations, April 2012).

Maritime Partnerships: Maritime Defence Cooperation in the Indian-Pacific Ocean: Taiwan and the potential of HA/DR activities for its contribution to international peace and stability

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Abstract

This paper considers the possibilities, opportunities, risks, advantages and disadvantages of ROC Taiwan using its armed forces, as well as other instruments of government, for the purposes of humanitarian assistance and disaster relief [HA/DR] in order to contribute to international peace and security in the Asia-Pacific region. Its key message is that, due to practical constraints on Taiwan's capacity to act in international politics, deriving from its status as a 'quasi-sovereign state', HA/DR (a mission that can fall within the broad category of defence cooperation) is the best hope for its participation in regional maritime security cooperation. First, the paper considers briefly the variety of roles that can be performed by the Armed Forces of states. Second, it establishes the context of the HA/DR and other missions of the Armed Forces by considering the geopolitical, economic and strategic importance of the Asia-Pacific region in the global international system. Then, third, it moves on to consider how the on-going U.S. 'pivot to Asia' is affecting the dynamics of the region, including the implications for cross-strait relations as well as the security relationship between Taiwan and the U.S. Fourth, the focus of the paper shifts to HA/DR as one aspect of non-traditional security activities and how military and non-military government instruments can play a role in them. It also considers how the Taiwan armed forces have to balance non-traditional and traditional roles, as well as the extent to which any tensions between such roles can be considered in 'win-win' rather than 'zero-sum terms. In the discussion, attention is drawn to the political challenges posed by HA/DR and any other non-traditional security activities performed by the ROC Taiwan armed forces because of its peculiar status as a not fully sovereign but a quasi-sovereign state. Fifth, one of the key conclusions from the analysis is that in building on HA/DR achievements in the domestic sphere and in cases, such as Haiti and Japan, attention needs to focus on increasing the variety of channels in which HA/DR activities might be developed as part of Taiwan contribution to international peace and stability on the Asia Pacific region.

I. The variety of roles performed by the armed forces

The primary and traditional role of the military of the modern state has always been territorial defence against attack or deterring threats from the Armed Forces of other states, in addition to projecting power abroad in defence of its territory and the state's wider interests. Indeed, underpinning its sovereignty is a precondition of the state's ability to use its military for any other activity; this is true even if war-fighting is for many states the least probable although the most seriously lethal activity in which it has to be prepared to engage. Governments have often asked their militaries to do much more than war fighting in defence of sovereignty or as an instrument of other government purposes in the international sphere: for example, internal security by assisting police agencies. Indeed, before the emergence of the modern state, with

its sharp differentiation of internal and external security, and the establishment of specialist military and policing organisations, the army often faced inwards as a policing agency as well as outwards as a military force.¹

In recent years, for most Western (but far from all) states the role of the military in territorial defence against military attack from other states has receded. However, the lesson of recent decades is not simply that there has been a shift from 'industrial war' to 'wars amongst the people' but the development of a world in which states have to confront 'hybrid wars'.² Such wars assume multiple forms, retaining elements from the past, while looking to the future. They are waged at once between states and non-state actors; they simultaneously incorporate criminal disorders and terrorist acts, humanitarian interventions, and acts we associate with conventional war.³ In this context of hybrid wars, military contributions to counter-terrorism and other transnational threats to national territory, such as criminal activities associated with narcotics, piracy, and people trafficking have become more significant. While western states advise and train forces of developing states, including states in which they have intervened in pursuit of stabilisation, the imperative of closer interaction and cooperation between military and police organisations (thereby 'policising' the military and 'militarising' the police⁴) in order to deal with terrorism and other transnational threats, rather goes against the grain of western liberal democratic style civil-military relations. It is far easier – at least in terms of legitimacy – for states used to dealing with internal security problems such as insurgency – an issue for contemporary India to mention just one important case in the Asia-Pacific Region.

Other traditional military roles include nation-building, for example by instilling national values through conscription, as in China, Singapore and much of Asia. For example, Singapore, at the start of its near half century as an independent state, did not encounter strategic pressures to introduce the kind of conscription practiced by Israel – especially the mobilisation of women. However, it is a small country, territorially speaking and in population size, with very limited capacity to withdraw and re-group if it were to be attacked. It has adapted the IDF and Swiss model for its own purposes. And of course it is firmly linked in defence cooperative relations with other powers, especially the U.S. Furthermore, there are also social reasons to do with nationhood that underpin the continuation of the institution of national service, at least for now. Yet, as in India and elsewhere, the military can evoke national identity and values without the institution of conscription. Very large armed forces can be maintained without conscription as in India or without enforcing the legal principle [as in the PRC]. Meanwhile, nation-building via military conscription has not been entirely absent from some well-established democratic states in Europe, as for example in Germany, which, until July 2011, had sought to continue to use the military as a means of establishing a political community [including post German reunification after the fall of the Berlin Wall], building strong links between military and civilian society and, so it was assumed, providing a means of ensuring that the military does not become a potentially powerful political actor or 'state within a state'. Germany persisted with conscription long after most [but not all – consider Finland

¹ Dandeker, 1990, Edmunds, 2007.

² Dandeker, 2010.

³ Dandeker, 2010. Hoffman, 2007.

⁴ This useful formulation is used by Friesendorf nd.

and Norway for instance] other European states dispensed with it. By contrast, for Israel conscription still performs both functions.⁵

Still on the theme of nation-building, but in the external context, states can use their armed forces to provide advice and expertise to other states that are re-building their own military institutions and civil-military relations after breaking with the past – as in ‘defence diplomacy’ activities in post-communist European space by the U.S., France and UK since the 1990s. This peaceful non-coercive use of military influence can be an important means of building confidence and trust between former enemies.⁶ Training and support is likely to be a key role for western armed forces post the interventions in Iraq and Afghanistan – as in Yemen, Somalia and elsewhere.

Other roles for the military include domestic – not just overseas - humanitarian assistance and disaster relief [HA/DR]; one might refer to this as another kind of nation building, or reconstruction. Indeed, as has been pointed out by Frederick Cuny, ‘[u]se of military forces for humanitarian purposes is a long-established tradition in all corners of the world’.⁷ The HA/DR function – a kind of non-traditional security task - is of increasing importance, especially as we shall see presently in the Asia-Pacific region. However, considered in the global context, and with an eye on comparisons with the West and NATO, the Asia-Pacific region offers a complex blend of traditional and non-traditional security threats: of ‘Westphalian’ problems of territorial and sovereignty disputes as well as those connected with natural disasters and terrorist and other acts such as piracy that threaten peace and stability from non-state actors. To a Western eye, it looks backwards as well as forwards so far as security problems are concerned.

The blend of traditional and non-traditional security problems offers challenges to all Asia-Pacific states, but each one faces its own specific set of challenges and will, accordingly, not necessarily respond in the same way as others. And, as we shall see with regard to Taiwan, it makes a difference if a political entity is not a sovereign state but a ‘*quasi-sovereign*’ one. The question before us is what opportunities HA/DR offer for Taiwan in regard to contributing to security cooperation in the region. Before considering that, we need to focus in more detail on the strategic and economic context in which any such activities are likely to develop.

II. The Asia-Pacific Region and Global Politics.

In the second decade of the twenty-first century it is evident that the Asia-Pacific - or Indian Pacific region is, perhaps, a more accurate formulation – is becoming a driver of global politics.⁸ Economic, political, cultural as well as strategic

⁵ On this theme see Edmunds, 2007. For a recent discussion of recruitment and related force design issues in the armed forces see, Cohen, 2010, and Tresch, 2011.

⁶ For the UK’s position on the use of the armed forces in non-operational ways seeking to shape the security environment see UK Ministry of Defence, *Delivering Security in a Modern World*, the Defence White Paper (Norwich, TSO, 12/2003). Defence diplomacy is now called defence relations. I am grateful to Dr Laura Cleary for this point.

⁷ Cuny, 1989. This is a remarkably perceptive essay, well in advance of its time.

⁸ This point emerged in the 2012 Defense Security Forum sponsored by the IAO, MND held in Taipei on 24th July 2012.

factors in this region are shaping international affairs, not least the U.S.'s global role and re-ordering of its priorities as expressed in the recent, and much publicised 'pivot to Asia', including its commitment to shift its naval power from approximately 50/50 to 40-60 in favour of the Pacific compared with the Atlantic by 2020. The economic and strategic importance of the Asia-Pacific region has not been lost on senior U.S. military officers. In 2011, for example, Admiral Robert F. Willard, Commander, U.S. Pacific Command told the House Armed Services Committee that the area of responsibility of his command,

spans half the earth and is home to more than three billion people living in three dozen nations – five of which are allied with the U.S. and many more of which are important economic and security partners. The region contains the world's three largest economies, and almost one-third [over \$ 1 trillion] of U.S. two-way trade in goods and services is with nations in the region. Moreover, much of the world's trade and energy that fuels the world economy moves of Asia's sea and air lines of communication.⁹

The U.S. is seeking to develop highly complex [and secret] forms of 'Air-Sea Battle' [ASB] to buttress its position in the region [a military element of its 'pivot to Asia'¹⁰] but also to enhance its global military power and capacity to conduct a wide range of operations against state and non-state actors. Some argue that this is designed to provide an effective and minimally vulnerable means of countering Chinese military power by making the best use of the potential for Service integration. From this standpoint, it is developing forms of inter-Service and multinational force integration that take the ideas of air-land battle that were developed to counter Soviet power in Europe during the late Cold War to new heights made possible by 21st century technologies.¹¹ However, there is a distinction to be drawn [as has been suggested by Professor Geoffrey Till¹²] between ASB as a *strategy* and ASB as an *operational concept*. In the latter case, it is a means of making the most of the possibilities of inter-Service integration that can be turned to achieve a multiplicity of purposes: ranging from counter-piracy, defending the laws of the sea, as well as sovereignty claims, coercive diplomacy, humanitarian operations, as well, of course, as countering the PLAN in the region as part of its defence of friends and allies of the US and the expansion of a system of democracy and market based prosperity. Therefore, ASB need not be considered as an operational concept linked solely to a strategy to deal with PRC.

⁹ See Statement of Admiral Robert F. Willard, Commander, U.S. Navy Commander, U.S. Pacific Command Before the House Armed Services Committee on U.S. Pacific Command Posture <http://armed-services.senate.gov/statemnt/2012/02%20February/Willard%2002-28-12.pdf> accessed 21 May 2012. In June 2012, Secretary of Defence Panetta has recently announced that by 2020 the US fleet will be split between the Pacific and Atlantic by 60/40 instead of 50/50 by the year 2020. <http://www.globalpost.com/dispatch/news/regions/asia-pacific/120602/leon-panetta-us-navy-asia-2020> accessed 2 June 2012

¹⁰ Whether the pivot reflects a return of the US to Asia or a consolidation of its hegemonic position is a moot point. This point was the main theme of a recent public lecture by Professor Khong Yuen Foon at the Asia Pacific Programme for Senior Military Officers, sponsored by RSIS, Singapore. 11th August 2012

¹¹ Air Sea Battle or 'ASB' has attracted a good deal of military, political and academic attention. A useful brief example is the Small Wars Journal blog entry by R. Jordan Prescott, 'Air Sea Battle as Presently Conceived' <http://smallwarsjournal.com/blog/airsea-battle-as-presently-conceived> accessed 21 May 2012.

¹² In a conversation with the author at the Defense Forum on Regional Security Seminar, Taipei, July 24th, 2012.

Investing in ASB in the Asia-Pacific region will be likely to reinforce U.S. wariness with regard to labour intensive military interventions [and thus long term military operations of nation building requiring a 'heavy footprint' in terms of the number of 'boots on the ground'] of the kind with which it has been preoccupied for more than a decade in Iraq and Afghanistan. It will also encourage its attempts to make its allies and/or proxies to do more with regard to providing the military means of responding to international security crises; and this will only occur through increased cooperation, role specialization and burden sharing - a central theme in on-going NATO discussions. Such discussions will extend to the Asia-Pacific region, which possesses a less developed security architecture than that which has developed over many decades in Europe; states concerned about the expansion of Chinese naval power - from a green to a blue Navy - and welcoming the reassertion or consolidation of U.S. power there will be expected to take up some of the burden of countering Chinese assertiveness especially in the South China Sea.

However much of this will not be straightforward. The inherent limits on the potential action of Taiwan - what can be referred to as a 'quasi-sovereign state' - with regard to using its armed forces in international missions of any kind, ranging from traditional security tasks to non-traditional ones, including HA/DA are affected by the strategic and political dynamics of the region in which it is located and wishes to operate. For Taiwan, this location might be considered to extend from East Asia to the Pacific-Indian Ocean, and it offers some opportunities for maritime partnerships and operations. Two issues arise here. First, there are political tensions arising from China's increased influence and assertiveness, especially but not only in the South China Sea. Here there are tensions between it and a number of other states in the region such as the Philippines, Vietnam, Indonesia, Singapore, Malaysia as well as Taiwan. In addition to the principle of the freedom of the seas there are also sovereignty and resource issues, which engage the interest of states within and beyond the region. This is hardly surprising because, as is well known, SLOCs provide potential choke points for a quarter of global trade and 70 per cent of Japan's energy needs.

The above tensions are about a complex of problems to do with sovereignty, natural resources, including the potential of oil as well as access to the sea for trade and related SLOC reasons. As a result, the U.S. is involved in these tensions for its own strategic and economic interests as well as its commitment to buttressing its regional role, which includes supporting the legitimate claims of regional states that are troubled by the increased assertiveness of China. This, in turn, can produce problems in U.S./China relations as we have seen in recent tetchy diplomatic exchanges on the South China Sea theme during the summer of 2012. The US pivot to or, as mentioned earlier, reassertion and consolidation of its role as hegemon in Asia, may be welcomed by those states in the region that are anxious about China, even though it is also in their interests to not put at risk their own economic and other links with that country - not an easy balancing act. We can see this problem, for example, in Australia's commitment to work closely with the U.S. as a global power that underpins its own defence and security - thus the hosting of U.S. Marine Corps units [around 750 personnel] on a rotational basis near Darwin. However it is reluctant to go so far as to welcome the basing of an aircraft carrier and associated assets on its western coast, which has been mooted [it should be noted, in a report from the think

tank CSIS, commissioned by the US DOD, but not a formal, official US government proposal] as one strand of the US pivot to Asia.¹³ Given the China/Australia economic links, not least in connection with mining industries, one can see why Australia would wish to balance its economic and strategic interests with regard to its relations with the two great global powers of the contemporary era. Another interesting case would be Singapore: it too has strategic relationships with the U.S. but also a perceived interest in the recent past in seeking to play some kind of mediating role with regard to PRC-US relations, but one wonders if, as a result of the U.S. pivot to Asia this might lead it to be more reluctant to do this or realise that it would not be in its interest to do so. It is a particularly pragmatic state in terms of international diplomacy.

Notwithstanding China's efforts to lessen its dependence on the sea for its global economy, especially energy imports by relying on land based pipelines, it can only mitigate not remove its vulnerability in this regard. And in any case, it perceives, quite rightly, that it has a responsibility not only to defend its own economic interests but in playing a role befitting its international status in defending global SLOC as the basis of the global economy on which all, not just the PRC, depend and benefit from. This accounts for its role in peacekeeping, and contributions to anti-piracy operations in the Middle East. It also accounts for its attempts to secure SLOC in the Indian Ocean, including its relationship with Pakistan, which in turn brings India into play as the latter has become such an important rising power and whose influence and ambitions are bound to grow in future decades. After all, India is a three-sided Continental Island with major maritime interests. In managing its relationships with China, would this increase or decrease its willingness to facilitate Taiwan's attempts to use maritime defence cooperation as a means of contributing to security cooperation and partnership building; or would this be perceived as an unnecessary and costly complication? Indeed, might this argument echo one sometimes heard in the US: that in order to make an accommodation with China on a range of issues especially in the Asia-Pacific region, it might consider lessening its support of Taiwan – as a costly obstacle to such a settlement? If so this would also hinder the chances of Taiwan's prospects for contributing to defence and security cooperation in the region. Alternatively, would this stance seriously undermine the U.S vision of building markets and democracy not just in the Asia Pacific region but globally? Letting drop one of the examples of the model it wishes to develop more generally would not be an ideal signal to convey to the international community.

The case of Singapore is also of interest because so it seems to this observer, its past willingness to be engaged in some kinds of very limited and informal naval connection with Taiwan, which, partly due to PRC pressure have cooled in recent years, may be revived in future. This is simply a conjecture on my part. However all this may be, the key problem for Taiwan is that whichever form of cooperation it seeks and with whom cannot be considered in isolation from the context of these inter-state tensions in the Asia-Pacific region. In all cases connected with Asia-Pacific tensions arising from the assertiveness of and responses to China, the scope for Taiwan depends on the situation and interest of particular countries, and their

¹³ See US should send carrier strike group to Australia: CSIS

<http://www.wantchinatimes.com/news-subclass-cnt.aspx?id=20120802000083&cid=1101>, accessed 10th August 2012.

weighing of the costs and benefits their actions in being supportive of any Taiwan requests for cooperation. It also depends on what kinds of operation that Taiwan has in mind with regard to maritime defence and security cooperation. As mentioned earlier, the potential of HA/DR is that not only does Taiwan have a specialist expertise in this area [indeed it has been necessary to acquire it over the years] it might be seen as less controversial and sensitive, politically, than seeking to contribute to more traditional security tasks. However, from a PRC point of view, any security cooperation with Taiwan beyond the latter's self-defined territorial waters would pose the problem of the recognition of sovereignty claims that it does not accept, in which case much depends on what risks other countries are prepared to take with their relationships with China to accommodate Taiwan.

Thus China's expansion of its military capability and assertive efforts to exercise influence in the region, not least in key areas such as the South China Sea, have produced two unsurprising consequences. First, less powerful and vulnerable states seek to counter that influence [for political as well as economic reasons, including natural resources as well as an interest in unconstrained access to SLOC] by developing greater cooperation, and are relieved at a reshaping of the priorities of the US which in any case has its own self-interested motives for defending its position in the Pacific. Second, China's assertiveness in military and strategic terms can be construed as not only an expression of strength but also an indication of vulnerability. This is evident in its dependence on SLOC for its imports of raw materials such as oil, which it is mitigating in part by establishing land based piping of oil from the Middle East including using Myanmar.

The Asia-Pacific region is economically dynamic and a key driver of the global economy and prospects for growth, but it is also one in which there are tensions amongst states and the potential for armed conflict - that is, a range of military related traditional security problems. In addition, there are also a range of non-traditional security risks including radical terrorist groups as well as natural disasters such as typhoons, floods, earthquakes and tsunamis. For most analysts, non-traditional security risks are transnational cross-border phenomena that are not the result of deliberate state action but promote state responses, including the use of the armed forces. The impact of such risks is affected by globalization, which exaggerates the impact of disasters due to the increased interdependence of the world, including the way in which events can become global phenomena due to the role of the media, including in recent years social media [Twitter, Facebook, Linked In, blogs and micro-blogs]. Government responses to these challenges are increasingly difficult for countries to deal with effectively by operating alone and, furthermore, they need a wide range not only of government departments and agencies but also draw on the NGO and the private or contracting world; all of this has been expressed in what has been called the 'comprehensive approach'. Globalisation magnifies the impact and by the same token pressures governments to engage in speedy responses but also, if possible, investment in preventive action, or at least good and well-resourced plans for action should disasters occur - this lesson has been learnt by Taiwan in recent years.

Some of these non-traditional security problems can be approached by drawing on the *non-kinetic* functions of the armed forces - especially their logistic, organizational and communications capabilities. Meanwhile, other problems, such as responding to violent or threatening non-state actors through strategies of counter-terrorism, although relying on military and non-military sources of intelligence, will require more kinetic approaches, often involving the use of Special Forces [SF]. It is

well known that Taiwan is a country that has been exposed to what was referred to above as non-kinetic kinds of problems, and has acquired over the decades substantial expertise in domestic disaster response drawing on military as well as other government and non-government agencies, with non-military assets used in modest initiatives abroad especially Haiti. This is not to deny that counter-terror problems are not relevant to Taiwan – far from it. In the Asia-Pacific region, cities like Taipei and Hong Kong and Singapore, just to mention three, are high value targets for terrorist groups wishing to disrupt the global economy and making a statement to the global media about their agendas. That having been said, in the Asia-Pacific Region, Taiwan may well have a comparative advantage or at least something to offer in terms of non-traditional security.

However, before considering that proposition, one needs also to consider its traditional security imperatives. Today, these are rooted in the paradoxical nature of recent cross-strait relations with the PRC. On the one hand, Taiwan and PRC are involved in more extensive and intensive trade relationships and political tensions have retreated somewhat. [There are also internal political tensions within Taiwan that can be triggered by language such as ‘one country two areas’ instead of that referring to an agreement to differ on what the ‘one China’ of the one China principle means.] However, military tensions persist and there has been a perceived need for vigilance as well as modernization of Taiwan’s military capability, notwithstanding with these improvements at the economic level. This has involved the development of a smaller but better quality and more capable high-tech AVF including the means of responding effectively to cyber-security threats. For Taiwan, hard power continues to be a key priority for its armed forces as can be observed by continuing attempts to improve the quality of provision of F16s from the US and the purchase of 200 M1 tanks as part of a more robust mobile defence to maximize chances of halting a Chinese assault on the island, or to raise the price of seeking to mount such an attack.

However, in addition to these traditional military security related challenges, there have been additional government demands on the Taiwan armed forces, in particular to be able to deal with disaster relief in time of flood or earthquake. It is clear that the public expects this kind of response and failings in this area can damage the legitimacy of the government of the day. Thus it is no surprise to find that, at the time of writing [August 2012] the Taiwan MND has placed 45,000 on standby to assist in dealing with the consequences of Typhoon Saola. To meet both traditional and non-traditional security tasks within a constrained defence budget is not easy [the budget falls beneath what the defence ministry regards as appropriate: it is now at 2.7 rather than 3 per cent GDP]; and this might limit the scope for internationalizing the disaster response facility that the Taiwan armed forces have acquired. Yet it is clear that other than modernization and development of an effective AVF and providing a credible response to PRC military capability, the development of HA/DR internationally for Taiwan has been allocated as an important role for the Taiwan Armed Forces.

There are further constraints on Taiwan’s capacity to develop HA/DR beyond its shores. One of these concerns its international legal status: it is what can be called a quasi-sovereign state, without full recognition in the international community, including membership of the UN. Here we can consider relevant differences between normal and quasi-sovereign states and how these affect how they might use the armed forces to pursue different missions or perform different functions. Let us consider some aspects of Sir Rupert Smith’s analysis of the ‘utility force’ to highlight some of

these issues.¹⁴ Smith argued that force can be used for the purposes of amelioration, such as provision of humanitarian assistance and disaster relief [HA/DR]; to contain a potential threat from a political actor [as in the use of no fly zones, for example, in the protection of Kurds after the conclusion of the first Iraq war]; to coerce, as in the deterrence of Iraqi forces in 1990 from seizing the oil fields of Saudi Arabia; and for destruction in pursuit of a political goal, such as the ejection of Argentine invading forces from the Falkland Islands in 1982, or of Iraqi forces from Kuwait in 1990-91. One issue arising from Smith's typology of the uses of force, which is of great relevance to Taiwan's potential use of its armed forces for HA/DR missions beyond its shores, concerns the nature of what might be called 'the making of strategy'.¹⁵ When using force in pursuit of any of these four objectives, it is important that policymakers set realistic goals, that the political goals and military objectives to achieve them are coherent, and that they are followed through. It is at this point that Smith's percipience is especially evident and on two counts: first, that the risks of not thinking through a political strategy increase markedly as one moves across the spectrum from amelioration to destruction. Clearly any state should consider carefully the political risks attendant upon helping another country in need as a result of flood or earthquake. But these are of relatively small consequence in comparison with thinking through the implications of using force as a destructive agent in order to change the strategic balance between warring factions, including the government of another state – and one with important allies in and beyond the immediate region. Such is the case just now as the West, after Libya, considers its options in Syria, while states like Russia and China remind the U.S and NATO that this is far from being only the West's call. However, for Taiwan even small or modest – we might say innocent – uses of the armed forces for HA/DR purposes are potentially fraught with *strategic complexity* and require careful political and strategic calculations that would be less pressing for a normal sovereign state. Indeed, how could Taiwan pursue them as the same time as playing an as yet undetermined role in the US pivot to Asia and Air Sea Battle?

III. HA/DR and Taiwan in the context of regional security

Key to Taiwan's security is its relationship with the US. It relies on it for force modernization to deter attack and to maximize the cost of the PRC mounting one; and this relationship will affect the development and effectiveness of the new AVF. Continued investment in defence and related links with the US, such as professional exchanges and provision of advice, including U.S. observation of Taiwan joint annual defence exercises are all important aspects of this relationship.¹⁶ Notwithstanding the importance of the Taiwan Relations Act as a basis for U.S-Taiwan defence and security links, an important aspect of these relationships is informality, but no less important for that: other states conduct important business on delicate technological economic and security issues often on an informal basis in the region – Singapore and Israel for example.

¹⁴ Smith, 2005.

¹⁵ See Strachan, 2006.

¹⁶ Alexander Chieh-cheng Huang, The United States and Taiwan's Defense Transformation *Brookings Institution, Opinion* | February 2010, <http://www.brookings.edu/research/opinions/2010/02/taiwan-defense-huang>. Accessed August 10th 2012.

Hard ROC defence security issues have to have priority. This is because, without a firm base of territorial integrity – something that remains fraught with risk and requiring vigilance, notwithstanding improved cross strait relations and a public that is not convinced that such vigilance is necessary - it would be imprudent to commit to other defence roles for example in the area of non-traditional security such as HR/DA. A good question is how far Taiwan could play a significant role in the U.S. pivot to Asia and the U.S. defence relationship with the key democracies in the Asia-Pacific region, especially U.S. efforts to increase defence cooperation amongst those Asia Pacific states. Such cooperation will allow the U.S. as a hegemon to share the burden in this region and to encourage, others to take a lead on some issues – it might be described as an Asian-Pacific application of the ‘leading from behind’ approach that was developed in the Libyan intervention in Europe. In such a context, the issue for Taiwan would be how to balance hard, traditional security with non-traditional security tasks. The latter tasks might be an area to develop in areas that would allow cooperation with other states without necessarily highlighting a pivot role that might make cross-strait relations as well as the bilateral relationship between the US and China rather difficult. This is the context to consider Taiwan’s three defence missions. According to recent government statements these are:

To defend Taiwan: As guided by Taiwan’s Constitution and the National Defense Act, Taiwan’s defense establishment aims to defend national security, safeguard the public’s livelihood and sustainable development. The ROC Armed Forces, in accordance with the concept of “preventive defense”, will defend national territories.

To deter enemy threats: The ROC Armed Forces have adhered to the principle of “preventing war but not fearing war, and preparing for but not provoking one”. In order to deter war, Taiwan builds “Hard ROC” modern defense capabilities to compel the enemy to pragmatically assess the costs and risks of aggression.

To defeat enemy attacks: Taiwan absolutely does not provoke or launch attacks. However, after taking the enemy’s first strike, the Armed Forces need to possess capabilities of self-defense and countermeasures. This is not only the responsibility of the MND but also the request from the people to the government.¹⁷

The concept underpinning these three defence roles is to prevent the outbreak of war in the Taiwan Strait and to encourage, exchange relationships – economic, social and cultural; to protect democracy and freedom in Taiwan which is an objective that involves claiming that Taiwan is a local variation on universal norms. A third aspect of the defence concept interestingly provides a context of the development of HA/DR missions as a contribution to the wider goal of ‘Asia-Pacific security and stability’. This point is worth quoting in full:

Taiwan also looks for cooperation with other countries, including India, in the hope that regional security cooperation on issues, such as PLA studies, unconventional security cooperation, counter proliferation, anti-terrorism, and humanitarian assistance and disaster relief, could be kept developing. If

¹⁷ Yang Nieu-dzu, Vice Defense Minister Taiwan 2011, in <http://www.indiastrategic.in/topstories867.htm>

Taiwan has more opportunities to participate in regional and global issues, its contribution would be greater.

Taiwan is not alone in explicitly allocating HA/DR as missions for the armed forces – Sweden is another example. As mentioned earlier, most states use the military as a support for other government agencies in time of natural disasters or other emergencies, although some, like the U.S, place severe constraints on the internal role of the regular federal armed forces, preferring police and local state based National Guard units to perform this activity. The UK is more amenable to allowing the domestic use of its armed forces in this role and has done so, for example, in connection with ‘foot and mouth’ disease control. All states recognise the logistical power of the military, which is reinforced by its effective command and control system and ‘can do’ culture. Indeed, Prime Ministers are usually enthralled by this aspect of the culture of the armed forces and its impressive capacity to turn its military potential to a variety of civilian purposes.¹⁸ And the key functions of the military that governments like to draw on [as do other organisations such as humanitarian NGOs] are their discipline and their communications, as well as their logistical power.¹⁹ Political leaders have realised the potential of a reliable and multi-purpose organisation that a military provides them. HA/DR functions are not only of importance to Taiwan; they are expected to be of increased regional significance in the Asia-Pacific Region as volatile weather patterns heighten the chances of flood and other natural disasters in the coming decades.

Security problems in the region, Taiwan’s expertise in HA/DR, its peculiar international status and its perception of opportunities and risks allows us to reflect on possible incentives and motives with regard to its engagement in HA/DR activities. First, there are military professional reasons, for example the need for joint exercises for the rather isolated ROC armed forces. In a world of joint multinational and multi-agency approaches to defence and security it is quite easy to fall behind in organizational and professional capacities. Second, there is the potential for using the armed forces in pursuit of security cooperation and the firmer location of Taiwan in variety of security networks, but here the question arises which networks, and whether non-military instruments are the most appropriate to develop links with them. A further question is, even if the armed forces are used, should they be used in traditional defence security roles or non-traditional security functions where the emphasis is on the logistic communications and organizational capacities? In addition, if their role is non-traditional security such as HA/DR, should the combination of armed force and other elements, including the allocation of leading roles, be similar to or different from what is the case within the territory of Taiwan? Last, cutting across these issues is a matter of special significance for quasi-sovereign states: the balance between formal and informal aspects of network building.

The principal diplomatic objective of Taiwan is to embed Taiwan in a number of security networks without giving cause for alarm to PRC, or to any of its potential partners who need to be aware of the costs of any links with Taiwan for their economic and other relations with the PRC. Key to these networks is the UN. As a Brookings Institution Opinion pointed out last June, attempts to seek engagement in

¹⁸ Dandeker and Freedman, 2002.

¹⁹ See Cuny, 1989.

some of the specialized agencies of the UN pose a number of difficulties, not the least of which is balancing a Taiwan government desire to gain international recognition but a concern that any recognition gained through such engagement is less than what was wanted; and the price to be paid might be acceptance or perceived acceptance of the claim that Taiwan is a region of a sovereign PRC; as mentioned earlier this is an especially sensitive an issue in domestic politics.²⁰ China may have been and be able to facilitate observer status in UN agencies and other kinds of practical and pragmatic cooperation, but which would not necessarily enhance Taiwan's formal status in the international system. Indeed, it could engage in such facilitation, giving Taiwan some security benefits but also underline from its point of view that these benefits are in no way a confirmation of or a step to a confirmation of Taiwan's sovereignty. PRC is sensitive about observer status and forms of practical cooperation because the question of sovereignty looms whenever such developments are mooted.

As the Brooking's paper went on to argue,

*in 2008, the new government of Ma Ying-jeou shifted Taiwan's UN strategy, pursuing the clearly stated but undefined status of "meaningful participation" in UN specialized agencies, specifically the WHO, the International Civil Aviation Organization (ICAO) and the International Maritime Organization (IMO).[12] This new policy followed up on PRC President Hu Jintao's announcement upon Ma's inauguration as ROC president that "Taiwan compatriots' participation in international activities would be discussed with priority given to participation of the World Health Organization's (WHO) activities after the cross-strait consultations were resumed." [13] This effort resulted early on in observer status for Taiwan in the WHO's World Health Assembly (WHA), the annual high-level meeting of the WHO. Since 2009, Taiwan has shifted its focus to the ICAO [this is the International Civil Aviation Organization - CD] and the UN Framework Convention on Climate Change (UNFCCC), [14] but it has not yet achieved meaningful participation in these bodies.*²¹

How might the armed forces, and HA/DR affect the delicate dynamics of these diplomatic initiatives? Earlier in the discussion, the following principles were outlined: the use of military and non-military instruments of government in pursuit of security cooperation; the emphasis on the logistic and supportive rather than kinetic aspects of the armed forces in its missions; the relative importance of informal rather than informal mechanisms of cooperation. For example, consider the aid given to Haiti in early 2010, which was offered at the same time as PRC provided assistance [although the offer of coordination of such aid by PRC was declined by Taiwan]. It would have been difficult to engage in this assistance had the relations between PRC and Taiwan been as difficult as they had been under the previous government and before the subsequent easing of cross-strait relations and furtherance of trade and other cooperative links between them. Haiti illustrated not only the generosity of the people of Taiwan but also displayed the expertise of HA/DR capabilities, developed in the context of its own problems of floods and earthquakes. It showed that Taiwan has a pool of technical talent in the form of medical, engineering, science and

²⁰ See Opinion | June 2012, Taiwan's UN Dilemma: To Be or Not To Be, <http://www.brookings.edu/research/opinions/2012/06/20-taiwan-un-winkler>.

²¹ Ibid.

technological professionals. With the earlier granting of observer status in the WHO, this contribution provided a rare opportunity to step away from the long standing diplomatic isolation Taiwan has experienced over the decades. Here was a successful use of non-military instruments of government [a team of skilled rescue workers and trained dogs] in HA/DR activities with positive, albeit modest effects on security cooperation. To take another illustration: Taiwan's generosity in providing aid [especially financial] to Japan in the aftermath of the Fukushima disaster – reflecting its longstanding connection with that country as a result of imperial and post imperial history – has also been accompanied by an understandable effort to ensure that Taiwan is engaged in any international forum to discuss the implications of the nuclear disaster to and to learn from any lessons provided by analysis of what went wrong.

What of possibilities at the other end of the spectrum: military cooperation with other states, for example, as an element in the ABT aspect of the US pivot to Asia, assuming that operational concept were geared at least in part to countering China's military power? This would bring into play the sovereignty cross-strait relations and PRC- US tensions in a very direct fashion, especially because, as pointed out in the introduction, the kinetic focus of the armed forces underpin and express the ultimate basis of sovereignty. Given the international political and diplomatic context, it would be extremely difficult to countenance ambitious efforts here, although not to consider them at all might undermine the relationship with the U.S. Much depends on managing the complex relationships with both PRC and the U.S. The existing defence connections with the U.S, especially the informal ones continue to offer not only force modernization but also opportunities re training and sharing of professional knowledge, but multinational [i.e. across different countries not just Services] exercises are a difficult step to take precisely because of the formality involved. Informality is difficult to analyze and discuss in public because of the sensitivities involved.²²

Midway between these positions, there is potential for using the armed forces in HA/DR activities. However, given the political sensitivities this would require modification of the capabilities and organization of disaster relief that has been applied in the domestic context. Key aspects of this adaptation, in order to lessen political sensitivity, would be: first, lessening the military profile by placing emphasis on contractors and NGOs as well as non-military components of government. Second, operations would need to be very modest in scale, with operational leadership based in another partner if there was cooperation with other countries; this would underpin the low profile of the armed forces in leading any such HA/DR effort, whether or not the Taiwan effort was engaged or not with contributions from other countries. As the case of Singapore indicates, in small scale efforts the military does not take the lead, in larger scale ones it does.

²² Sensitive cross-country exercises as the one proposed with Singapore publicised in the press in 2005, shows how sensitive these can be. Singapore has a pragmatic approach to security policy and not withstanding its closeness with the US it is sensitive to its economic ties with PRC – as we have seen it is not alone in this and economic dependence on China is a key driver of Asian Pacific Security. States will have to balance their economic interest with their values and for those with defence ties to the US their willingness to pay the price of participating in its hegemonic role in the region.

IV. HA/DR and other non-traditional missions: the challenges and how to overcome them

HA/DR tasks are one kind of *non-traditional mission*.²³ Other examples include the rebuilding of infrastructure, counter-terrorism, provision of public order, monitoring of election results, as well as various kinds of more or less 'muscular [that is forceful] peacekeeping. Non-traditional missions can be understood as those that are different in requirements from those of war fighting or war like operations, but there are complexities to be found here on the boundaries between inter-state war fighting and other, non-traditional kinds of military operation. For example, in peace operations - especially in today's conditions - it is even more likely than in classic peacekeeping that war fighting skills might be relevant given the potential for violent turbulence at short notice. A good deal of the first decade of the post-Cold War era was spent by the armed forces in coming to terms with a range of complex operations that fell neither into the category of inter-state war fighting or classical peacekeeping. Some authors thought of a different vocabulary to capture these complexities. This was referred to as 'strategic peacekeeping' in the context of the conflicts and western interventions in the conflicts associated with the breakup of the Former Republic of Yugoslavia.²⁴

At the same time these developments reshaped the debate on the extent to which the military - especially its warrior or war fighting culture - was compatible with the requirements of peacekeeping. Then as now there were contrasting positions. While some argue that war fighters with proper training and professionalism can adapt to the requirements of peace keeping and, post deployment, re-adjust again to the demands of fighting inter-state war or major combat operations against a similarly structured enemy, others take a more cautious view, and one with which this author has sympathy. In 2001, John Hillen argued

"Peacekeeping is not a soldier's job, but only a soldier can do it." That seems to capture the conundrum very well. There is no doubt that well-trained and disciplined soldiers can, with the right kind of transitional training, make very good peacekeepers. But I have my suspicions (and some evidence) about the ability of soldiers deeply involved in peacekeeping to then turn around with little or no notice and be at the top of their game in the complex and sophisticated business of three-dimensional war-fighting.

*... [A]bsolutely heroic and admirable training efforts in Bosnia were geared towards this very phenomenon — one that is stretching US forces very thin. This is the need to have our peacekeepers ready at the drop of a hat to transition immediately to war-fighting. Studies on this have been done by various government agencies and research institutes and they all point to the fact that — simply because no institution can be equally good at two very different tasks — there is some degradation of combat capabilities among long-term peacekeepers.*²⁵

²³ This term is part of a family of terms including OOTW [operations other than war], MOOTWA [military operations other than war] - the latter originating in the U.S. context of military doctrine and strategic thought. The development of non-traditional missions has been a significant post-Cold War trend. It has also embraced Asian states, including the burgeoning Asian power of China. For a useful, brief discussion see Watson, 2009.

²⁴ Dandeker and Gow 1997, 2000.

²⁵ Hillen, 2001.

One conclusion from this discussion is that it may well be more difficult to adjust a peace keeping force to war than adapting a war fighting force to peace keeping. In any case, much depends on how much warning one has to make the adjustments and how much resource is available to ease the transition from one to the other. Debates over whether war fighters can make good peacekeepers and vice versa were very much a 1990s phenomenon, to which have been added further questions as a result of other conflicts since then.

As a result, first through military engagement in new forms of peacekeeping and then, after 9/11 in the conflicts in Afghanistan and Iraq with the rediscovery and refinement of counter-insurgency doctrine, the contemporary understanding of military professional space has had to be altered. This has been because of the increasingly 'crowded battlefield' in which a variety of military and non-military actors are engaged in the field of operations that encompasses a far broader range of security objectives. That space is increasingly subject to monitoring by other actors outside the immediate field of operations with access to a variety of electronic means of communications. There is also the matter of whether [if ever it was] quite so easy to circumscribe a field of military judgement immune from political scrutiny and questioning. Indeed, not just in the field of operations but right across the spectrum of professional space a range of social and political considerations render the claims of professional military judgement conditional upon the armed forces being able to sustain their claims in a variety of settings, not least in courts of law, as current debates on the integration of women and gays into the military have illustrated.²⁶ Whether focused on more or less robust security and stability operations, counter-insurgency, combined arms, major warlike operations against states or, over time, complex mixtures of these operational forms, they are all rather different from the Huntingtonian idea of 'pure' military space he proposed in 1957. This is not surprising given the nature of the international political system since the end of the Cold War two decades ago.

Given the complexity to be found on the borderline between traditional war fighting and non-traditional missions, has this lessened or increased the relevance of the expertise of the former to the successful conduct of the latter? In HA/DR operations, specific war fighting expertise is less relevant and can be counter-productive so long as the environment is benign [with no opposing forces or violent groups; and this is most likely if operations take place within one's own territory and the disaster has been caused by natural events or accidents to some aspect of the technical infrastructure. It is worth adding that in any disaster involving CBRN materials, the military would need to have a high profile role]. Here the military can rely on more general purpose skills especially their communications and logistic resources. Indeed, across the range of different kinds of operations the process of convergence I discussed earlier gives the armed forces a flexible, adaptive capacity. However, the need to retain the means of conducting war fighting remains as a distinctive function and it would be risky for any state to argue that its armed forces could or should do without it. This has implications for force design, equipment, military culture how the armed forces are educated and trained.

²⁶ While, as pointed out earlier, Forster has been influenced by Burk 2002 on the concept of professional space, he has also drawn on legal arguments especially those of Rubin on 'juridification'. See Rubin, 2002, and Forster, 2011a and 2011b.

The key challenges in non-traditional missions such as HA/DR responses are, in fact, an extension of those evident in contemporary operations experienced by any state engaged in contributing to international peace and security. Thus, there is an overarching similarity between traditional and non-traditional missions. Three aspects of this are worthy of attention: (1) the need for joint operations with other military organisations of the national state (2) cooperating with the armed forces of other countries, which may be required even in the domestic setting if a disaster is especially serious (3) working with other state and non-state organisations [including NGOs and private contractors – sometimes of one's own state sometimes with those based in other states] – this involves integrating military efforts into a comprehensive, 'whole government' or to use the jargon 'comprehensive' approach to problems, which will include the media, NGOs and other parties in what I have called complex operational spaces. Thus military personnel are required to be engaged in a multiplicity of relationships extending from military (including regular and, increasingly, part-time, reservist elements) as well as non-military organisations from a host of participating states (police and others, such as Foreign Office and Development components of government), NGOs, security and other kinds of contractors, and journalists. The operational space is a very crowded landscape indeed. This space is also one which might be summarised in terms of a numerical figure: '360-24-7'. Thus, operations increasingly take place in spaces that are not bounded with front lines and rear safe areas: one can be shot or blown up by an IED potentially anywhere in 360 degrees warfare. In addition, notwithstanding the efforts of censorship and media management operations are subject to 24/7 media scrutiny, which as mentioned earlier, contributes to the compression in the levels of war: small acts by junior personnel can have big consequences.

What issues arise in these contexts from a military point of view? At the heart of any military professional decision-making is the problem of making the best judgement on the available information, taking risks in the knowledge that there is no 'right answer' in the manual; such answers can only be guides to military judgement when one faces, as one often will, a non-routine situation. This complexity increases under two conditions: the variety of other actors and the intensity of media scrutiny, which might be more evident and problematic away from a field of more conventional military operations, but as we know even here the media are not that far away. In addition, one must recognise and deal with the compression of the levels of operations. I mentioned earlier the large scale consequences of small scale actions at lower levels of command²⁷ and in response to these contemporary armed forces ask their commanders to be able to operate two or even three ranks higher than the one they occupy: Captains and Majors might have to take Brigadier's decisions in fast-moving complex situations.²⁸ Social media add to the compression of the levels of war as we

²⁷ While the 'strategic corporal' has gained currency as a result of Krulak's formulation [Krulak 1999] military and political affairs have moved on. Recently a British army officer suggested in an interview with the author: we used to think about the concept of the —strategic corporal || 8, but now ten years on it is more appropriate to think of the strategic private soldier, whose one potential mistake with a round from a Minimi [machine gun] can give rise to a strategic *faux pas*'. Boot, Hoffman and others have extended the idea of three block war to four blocks – to include psychological operations and information – in this author's view a key theme in the light of the expansion of social media. See Hoffman 2007 and also Boot 2006. Meanwhile, others have questioned the extent to which these ideas have been incorporated into military doctrine and practice and whether it would be wise to do so. See Dorn and Varey, 2009.

²⁸ See Krulak, 1999, Dandeker, 2006, 2010.

can see when video footage can move from an individual mobile phone to global internet coverage in an instant. Anyone being observed and possibly filmed has to think not only what messages am I communicating deliberately but what messages am he or she is conveying unwittingly?²⁹

Consequently, officers need to be equipped with a broad perspective and an ability to deal with fast-moving and complex situations in which non-military actors are present and in which default reliance on military chain of command thinking might not be very effective. Complexity, uncertainty and fast changing environments will give advantages to those officers that are open minded, happy to take decisions, enjoy having responsibility and looking for creative solutions to problems. Diplomatic and scholarly skills to apply military judgement in conditions of complexity are critical. In addition to civilian control of operations it may well be that the military is a partner and not the most powerful or important player, thus showing the importance of such diplomatic skills and the need for military sensitivity to the needs of other players in complex operational spaces. Furthermore, one feature of military [indeed any other kind of] profession is the need to anticipate – to horizon scan and to be proactive - not just reactive - in terms of operational challenges, the wider international context as well as the domestic setting of armed forces and society. Thinking ahead, allied to risk taking and taking rather than avoiding decisions using military judgement in situations to which SOPs might not apply are key elements of the 21st century military profession.

V. Conclusion

Taiwan's status as a quasi-sovereign state in an international setting that constrains its action due to sensitive sovereignty issues also offers some options. This is why first priority will surely continue be to use diplomatic efforts to secure greater role and influence in UN specialised agencies and to extend that in the regional context so far as is possible bearing in mind improved cross-strait relations. Its expertise in HA/DR creates opportunities to extend HA/DR tasks beyond the domestic to international context. The challenge is to adapt that expertise and organisational effort to the diplomatic purpose of ensuring any such contribution does not exaggerate sensitive sovereignty issues. In that regard, lessening the military profile, and raising that of contractors, NGOs and use of non-military experts as well as military expertise that reinforces their efforts, especially in the communications, logistics, aspects offers the best way forward. For the armed forces the key challenges are to balance investment and training in traditional and non-traditional security tasks. As long as deterrence and war fighting are not compromised, military professional challenges in both areas are mostly generic and the key ones are communication skills, judgement and political awareness. On traditional security issues, the armed forces will have to continue to rely on their extensive defence ties with the US on which its deterrence of PRC relies, especially ensuring the cost of any attack is proportionate to the increase in the PRC's military capabilities. The problem is that these traditional security military tasks might limit the scope for the HA/DR areas outlined here.

²⁹ This point echoes the distinction made by Goffman between the impressions a person gives in interaction with others and those that he or she gives off. In the first emphasis is on deliberation and language, in the second on no-verbal communication and here sometimes there is deliberation but sometimes not. One need not have full control over the information that one 'gives off' and this may lead to unanticipated misunderstandings. Goffman, 1959.

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Partnerships and Maritime Security Cooperation in the Indian Ocean Region

by

Probal Ghosh

The Indian Ocean occupies 20 percent of the world's ocean surface with a sea area extending to 68.556 million square kilometers. Carrying nearly half of the world's container ships, one third of the bulk cargo traffic, two-thirds of the world's oil shipments – the sheer importance of the SLOCs (Sea Lines of Communication) which carry this trade cannot be understated making it one of the most important oceanic stretches for the littoral trade and economy.

The geographic uniqueness of the region is such that the sea lanes of the Indian Ocean enter and exit through several narrow passages or 'choke points' that are vulnerable to interdiction and disruption creating serious consequences. Unfortunately, with the rise in shipping in the region accompanied by lack of sea governance - maritime crimes and challenges with trans-national characteristics seem to have risen correspondingly.

The current strategic accent on economic globalization has brought additional attendant maritime security concerns. The challenges which seem to threaten the free movement of ships includes piracy, maritime terrorism, gun-running, drug-trafficking, and poaching(IUU). In fact sub - regions of the IOR have emerged as hotbeds of illegal activity. These potent challenges necessitate adequate multilateral coordinated response strategies that are often found lacking in the region due many reasons. The lack of maritime cooperation however, does not diminish the geostrategic importance of the entire region

At the military level, a plethora of conflicts exist along the all-important SLOCs in the region, quoted as a kaleidoscope of crisis and not merely an 'arc' by Ken Booth and William L. Dowdy – way back in 1985 when the conflicts affecting some of the littorals along the coastline seem far from being resolved with hapless citizens living in a virtually Hobbesian environment formed by seemingly endless streams of refugees.

The other reason for this lack of a coordinated response is that IOR is an area that has currently become witness to a subterranean jostle for power resulting in a realignment of power equations in the oceanic region. This being reminiscent of the sixties period, when the British super power was withdrawing from the Indian Ocean leaving the emerging power – US to handle the affairs of the region. While at that time the uncertainty and strategic turbulence was considerably lesser since the variable was the structure of the architecture that would evolve under US pre-eminence, today the situation is a lot more complex. The number of emerging powers vying for primacy has led to a complex and a dynamic situation where in the situation lead to an underlying struggle for power.

The other reason for the lack of effective cooperation rests on the wide dissimilarities between national maritime capabilities of the littorals. On one hand there is India with its blue water naval assets and an energetic economy with an upward trajectory, along with countries like Australia that possess capable maritime

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capacities and yet on the other hand there are small island nations with assets that are neither capable of patrolling their vast EEZs or of protecting sea borne trade and commerce to any appreciable degree.

Coupled to this nature of regional diversity is the diverse approaches towards maritime governance with differing views on national maritime priorities. Thus the phenomena of **Hierarchy of Relevance** comes into significance - which essentially relates to the differences in national importance/ priorities of the littorals. This means that issues that may be high in priority for one country may not necessarily hold the same importance or relevance for another state. Hence it is this aspect that leads to a lack of coordinated approach in enforcement methodologies and a subsequent rise in transnational maritime crime against commercial shipping.

Maritime security and maritime partnership

The current dynamics of security scenarios has witnessed a broadening of the concept of maritime security itself to include non-military issues that deal with socio-economic development and politics, thus the concept of security has become more encompassing and comprehensive.

The entire notion of adopting cooperative approaches to overcome emerging security dilemmas, is often based on the primacy and the significance of cooperation rather than on competition. As a consequence a co-operative approach, by its very nature, highlights a consultative approach accentuating "consultation rather than confrontation, reassurance rather than deterrence, transparency rather than secrecy, prevention rather than correction, and interdependence rather than unilateralism."ⁱⁱⁱ

Hence maritime co-operation between states and their governmental/ non governmental organizations is a desired force multiplier and a requirement for ensuring "good order" at sea in a vast area such as the Indian Ocean.

The presence of singly or of combined, maritime forces operating in a coordinated manner have a positive and reassuring effect in overcoming challenges with respect to maritime security, disaster management, humanitarian assistance as well environmental management. It is in this holistic context that the maritime partnerships and cooperative initiatives should be viewed in the Indian Ocean Rim region.

Given the problems mentioned earlier, the issue of maritime security in the Indian Ocean region can be approached from three approaches or levels which would help in incrementally enhancing the degree of trust and cooperation – especially between mutually distrustful states :

- a) Enhancing transparency building measures
- b) Enhancing/initiating maritime confidence building measures
- c) Enhancing security building measures.

While the first two levels deal with either the creation of formal treaties or of Memorandum of Understanding (MoUs) and are essentially geared towards reducing the level of existing distrust, the third seeks to carry the agenda ahead by creating an institutionalized and collective security architecture in the region .

The littoral Diversity

The need for adopting cooperative approaches in the face of increasing maritime challenges, often with transnational characteristics is an imperative that few nations can afford to avoid in the current geo strategic scenario. However, it must be admitted, that maritime security cooperation does exist in the IOR , but only at the sub-regional level, and not at the supra-regional level; Hence what the region lacks is a

strong and vibrant overarching forum to cooperate and discuss maritime security issues – thus creating maritime partnerships in the process.

The existence of a plethora of forums in the region like APEC, IOR-ARC, SADC, BIMSTEC-EC, SAARC, ECOWAS, Mercosur,ⁱⁱⁱ would probably indicate that maritime cooperation would be a prominent feature in the agenda in all them given the dependence of the littorals on sea borne trade – however the reality indicates otherwise. Almost all these forums are designed to highlight the economic issues and make little reference to either maritime cooperation and / or maritime security. Thus indicating the dire requirement of an appropriate gathering of nations with the maritime agenda in the entire region.

IOR ARC

The most prominent forum from the above is the IOR ARC. The overarching forum in the region that covers the entire IOR it is often regarded as the being somewhat of a “lame duck” inflexible to the changing geo strategic needs of the region.

Formed in as late as March 1995 in Mauritius there was subsequent debate about the criteria for its membership and the definition of the littorals who could join. Comprising of three working Groups - on Trade and Investment (WGTI), the Indian Ocean Rim Business Forum (IORBF), and the Indian Ocean Rim Academic Group (IORAG), this forum's main objective is to promote trade and economic co-operation amongst the member states. It is due to this that it espouses open regionalism which has four principal components:

Trade Liberalisation. Liberalization of trade has been the primary focus and it seeks a non-discriminatory regime for all its members – the littorals. Accordingly a 2020 deadline has been set to reduce tariffs to zero for all member countries.

Information sharing and Investment facilitation- with an accent on economic activity it seeks to share information on trade and finance, with a view to harmonise and standardize Government regulations and legislatures.

Co-Operative Mechanisms Seeks to identifying specific areas for economic and technical cooperation.

Encourage discussion on Trade and Investment strategies. Seeks to encourage a dialogue and formal/informal discussion on trade investment strategies so as to take common positions on the issues.^{iv}

From the above it is apparent that the charter of IOR-ARC suffers from the serious lacunae, in that it does not address maritime security co-operation even though the free flow of sea borne trade is dependent on the existing security scenario.

While admittedly there is a degree of maritime security activity taking place within the geographic ambit of the IOR ARC at a bilateral and multi lateral level – however they do not take sustenance from the IOR ARC or take refuge in the overarching umbrella.

Southern African Development Community (SADC)

After being formed on 20 Jul 1981- the Southern African Development Co-ordinating Conference (SADCC) in 1992 transformed itself into the Southern African Development Community (SADC). The SADC Treaty was signed in Windhoek on 17 August 1992 and entered into force on 30 September 1993.

This regional organization has given it some degree of focus and primacy to maritime co-operation and security, in sheer comparison to the other regional

organizations. It has an active Standing Maritime Committee to promote peace and prosperity in the SADC region through maritime military co-operation.

The three main objectives of the committee are –

- a) the provision of mutual maritime security in order to ensure the freedom of sea lines of communication,
- b) the development and maintenance of maritime capability in the region;
- c) as well the development of maritime capacity to meet contingencies that require quick response.

Naval co-operation plans are assigned as follows: Angola: Search and Rescue, Mozambique: Force Support, South Africa: Naval Training, Multinational Force Preparation and Naval Co-ordination and Guidance of Shipping (NCAGS) and Naval Hydrography.

The Gulf Co-operation Council (GCC)

Created in 1981 in response to the outbreak of the Iran-Iraq war, the council seeks to strengthen co-operation in areas such as agriculture, industry, investment, security and trade amongst its member states..^v

Military and maritime co-operation among the GCC States is characterised by a serious effort to create and develop a GCC Defence force. The GCC States signed a Joint GCC Defence Pact, ratified during the 21st session on 31 December 2000. The Pact was guided by the principle of collective, integrated and mutually guaranteeing defence. Other fields of military co-operation have been expanded to include military intelligence, military survey, medical services, weapon systems, communications, air-force, environment security, defence against chemical weapons, naval forces, electronic warfare, and defence against ballistic missiles..^{vi}

The Association of Southeast Asian Nations (ASEAN)

The ASEAN is a forum that aims to promote peace and stability in the Southeast Asian region by respecting the rule of law and by adhering to the principles of the United Nations Charter. The primary aim being to become a vehicle for the collaborative promotion and acceleration of economic growth and social development amongst its member states.

Hence the Charter of ASEAN does not necessarily focus on issues of maritime security or of security/defence cooperation.

However from a military point of view, in 2003 the ASEAN leaders resolved that an ASEAN Community shall be established comprising three pillars, the primary one being the ASEAN Security Community (followed by the ASEAN Economic and Socio-Cultural Communities). The Republics of Indonesia and Singapore, Malaysia, and the Kingdom of Thailand are also IOR-ARC member states.

The ASEAN has however got itself deeply involved in serious issues that affect the maritime security of the region revolving around the conflicting claims in the South China seas area. While the Chinese have claimed a majority of the entire seas through the nine dashed line or the U shaped line – the claim has been vigorously contested by other countries in the region leading to skirmishes and “stand offs”. Attempts by ASEAN to negotiate the problem as a single entity have hardly borne fruit with the Chinese insisting on bilateral talks between the claimants and China. Additionally the ASEAN negotiated DoC^{vii} with China has witnessed frequent transgressions. Thus ASEAN has thus been involved in maritime security issues- which have attained primacy- even though its charter does not mention it.

The ASEAN Regional Forum (ARF)

Established in 1994 the ARF is the principal forum for security dialogue in Asia (whereas the Asia-Pacific Economic Cooperation, or APEC,^{viii} is the premier forum for facilitating economic growth, cooperation, trade and investment in the Asia-Pacific region). ARF comprises 27 countries; the 10 ASEAN member states, 10 ASEAN dialogue partners (including the Commonwealth of Australia and India, being IOR-ARC member states) plus 7 nations (including Pakistan, Bangladesh and Sri Lanka, who are also IOR-ARC states member).

The ARF "... provides a setting in which members can discuss current regional security issues and develop co-operative measures to enhance peace and security in the region. In areas of defence and security, relationships among ARF nations appear to be '... strong and diverse. Counter-terrorism co-operation, in particular, has expanded significantly since 11 September 2001 and the Bali bombings of October 2002.'"^{ix}

It attempts these tasks in three phases firstly by encouraging Confidence Building Measures (CBM), Secondly by introducing mechanisms for ensuring Preventive Diplomacy and finally by resorting to Conflict-Resolution Mechanisms.

ASEAN Maritime Forum

Realizing the gravity and primacy of maritime issues in the South East Asian region the relatively new - ASEAN Maritime Forum was established in pursuant of a stipulation of the 14th ASEAN Summit. The main task was to assist in producing "inter-sectoral recommendations for reference of ASEAN sectoral bodies in addressing maritime related issues within its functions and responsibilities."

In addition to the above it was also to "... pursue efforts for Enhanced Maritime Security, Safety and Connectivity". The objective was to pursue ASEAN interests on maritime issues and to explore whether common approaches could be developed in the field of maritime security, safety and connectivity. However the real efficacy of the forum is probably too early to judge given the geo strategic constraints of the region.

The ADMM and the ADMM Plus

Within the ASEAN structure, a new layer of dialogue on security was introduced in 2006—the ASEAN Defense Ministers' Meeting (ADMM) and its adjunct, the ADMM Plus (ADMM plus the DMs of the US, China, Russia, Japan, India, South Korea, Australia and New Zealand).

The ADMM is the highest ministerial defense and security consultative and cooperative mechanism in Southeast Asia. It effectively elevates to a higher level existing defense and military interactions ranging from confidence-building initiatives to concrete cooperative security efforts.

The forum intends to have all multilateral defense-related activities within the ASEAN structure to fall under its purview. These include, the ASEAN Chiefs of Defense Force Informal Meetings; ASEAN Service Chiefs Meetings; ASEAN Military Intelligence Exchange Meetings, and ASEAN Senior Defense Officials' Meeting.

On November 18, 2011 a ADMM-Plus Experts' Working Groups was established to facilitate cooperation in maritime security, counter terrorism, humanitarian assistance and disaster relief, peacekeeping operations and military medicine.

The Five Power Defence Arrangements (FPDA)

The FPDA are a series of defence relationships established by bilateral agreements between the United Kingdom, New Zealand, Australia, Malaysia, and Singapore (the latter three countries also being IOR-ARC member states), signed in 1971, whereby the five nations will consult each other in the event of external aggression or threat of attack against Malaysia or Singapore. The FPDA replaces some of the United Kingdom's former defence obligations in the region.

The FPDA provides for defence co-operation, and for an Integrated Air Defence System (IADS) for Malaysia and Singapore - based in Malaysia, but hosts rotating detachments of aircraft and personnel from all five countries. In 2001, the headquarters of IADS was redesignated Headquarters Integrated Area Defence System.

Apart from the above mentioned forums (some of which are regional in nature) there are specific initiatives that deal with specific maritime issues / threats and are entirely geared towards countering them. These include successful initiatives like the Regional Cooperation Agreement on Combating Piracy and Armed Robbery against Ships in Asia Pacific (ReCAAP)- which is specifically geared against growing incidents of piracy.

IONS (Indian Ocean Naval Symposium)

The need for an overarching forum dealing with maritime security cooperation has been partially overcome by the creation of a conclave of regional Naval chiefs- a forum that could also be used as a multilateral vehicle to overcome maritime disorder in the IOR. Hence one of the initiatives that got off to a glorious start was the Indian Ocean Naval Symposium (IONS)^x - the inaugural seminar of which was held at New Delhi in Feb 2008. Described as "...a paradigm shift from competitive security to collective security within the maritime domain..."^{xi} and visualized as a consultative and cooperative effort in finding a "common response" to the ever growing threat from asymmetric threats, Indian Navy, took a lead in playing the role of a facilitator and an unobtrusive fulcrum. The initiative invited naval chiefs/ heads of maritime agencies (where there exists no navy) from the IOR littorals for extensive discussions on maritime security issues of contemporary nature.

The response was overwhelming and twenty seven chiefs^{xii} (or their designated representatives) attended the inaugural event with a majority endorsing the charter of the initiative in principle. The initial apprehensions of some littorals of suspecting a "hidden agenda" in this initiative fortunately gave way to willing acceptance and appreciation on the way the event was conducted and the realization of its larger objectives.

Having incorporated aspects from the WPNS charter into its own - the IONS seeks greater navy to navy contact at all levels in form of workshops seminars etc. The initiative has been conceived as an informal "sounding board" for heads of navies to find innovative and pragmatic solutions to pressing maritime challenges.

Consequently, the participants at the initial deliberations at the IONS inaugural highlighted the following objectives:

1. To promote a shared understanding of issues and concerns which bear upon maritime security and are relevant to the geographic region of IOR.
2. To strengthen the maritime capacity of the littorals with a view to address present and evolving challenges to maritime security and stability.

3. To establish and promote a variety of trans-national, maritime, consultative and cooperative mechanisms, designed to address and mitigate maritime security-concerns prevailing amongst the littorals in the region.
4. To develop interoperability in terms of doctrines, strategies, procedures, organisational and logistic systems, and, operational processes, so as to promote speedy, responsive, and effective Humanitarian Assistance and Disaster-Relief (HADR) throughout the region in case of calamities.^{xiii}

The IONS Approach

The above mentioned generic objectives highlight the wide spectrum of areas of maritime security cooperation that the initiative could possibly addresses. However the following specific methodologies and focused areas would ensure the accomplishment of an incrementally higher degree of cooperation and capacity building.

Basic Maritime Cooperation would be achieved by

- (a) Joint "Search and Rescue" (SAR) operations.
- (b) Anti-piracy patrols and coordinated operations.
- (c) Seminars on marine environmental protection and ecology.

A more advanced degree of Maritime Cooperation could be achieved by

- (a) Joint/multilateral task force to counter emerging transnational challenges like gun running, drug smuggling and illegal migration etc.
- (b) Multi lateral SLOCs protection task force.
- (c) Joint/multilateral disaster relief operations of major calamities.
- (d) Marine Environmental protection against pollution and "green" surveillance patrols.
- (e) Upholding the Law of the Sea and other international maritime conventions inclusive of having detailed discussions and seminars on the subject.
- (f) By training/ exchange of personnel for training.

Having achieved the above level it is possible to further enlarge the agenda of Maritime Cooperation by having the following^{xiv}

- (a) Joint/ collaborative development of marine technology.
- (b) Joint strategy for safety and security of ports / harbours /shipping / marine national parks.
- (c) Marine resource management of living and non living (mineral) marine wealth.

In addition to the above the forum should create a system of checks and balances to prevent hegemonic claims of regional powers or extra regional powers and hence have a formal agenda, structured meetings and legalistic procedures being discussed at these meetings. The consensus method would be used and decisions would be implemented as "soft law" (informal agreements) which would form the essence of the "IONS Approach".

Present state of IONS

Despite the enthusiastic response of the littorals received during the inaugural seminar, the initiative seems to have lost some steam as was evident soon after. It was widely assumed that South Africa would take over the Chairmanship of the initiative from India in an effort to project the growing prowess and capability of the East African navies. However due internal difficulties that takeover did not materialize and UAE chose to take over the mantle.

The subsequent events organized by various navies also reflected on the prevailing low key approach. Hence except for the Technical Seminar in Sri Lanka^{xv} that showcased the working efficiency of the Sri Lankan Navy in the background of its civil war operations against the LTTE - the balance of the events (mainly in form of insipid essay competitions or workshops) organised under the IONS umbrella during the intervening years lacked the initial fervor and were could do little to infuse energy into the movement.

Comparatively, the second major meeting of the IONS Chiefs of Navies held in the UAE (where UAE took over as Chairman) has somewhat managed to revive the flagging interest.^{xvi} This was partly due to the combined efforts of projecting the West Asian navies and their capabilities achieved through a successful media coverage of the event.

A Track II counterpart of IONS

Multinational forums like ARF (ASEAN Regional Forum) are often provided academic/ research inputs by their Track II "counterparts" like the CSCAP (Council for Security Cooperation in Asia Pacific)^{xvii} which helps in policy formulation. Similarly the Indian Ocean Rim Academic Group (IORAG), often "encourages" the agenda of the IOR ARC. Though the inputs forwarded by these counterpart Track II organizations are carefully perused at the highest level of Track I, the degree of influence that these reports wield and their final incorporation into policy decisions is often debatable.

Notwithstanding, an initiative like IONS should encourage the formation of a parallel Track II organization which would share the primary objectives and spirit of IONS and at the same time provide the much needed research input required for policy decision making processes. This autonomous Track II initiative with a broad academic agenda and a widened membership forum could be termed as say as "Indian Ocean Maritime Cooperative Forum" (IOMCF)^{xviii}. While the enlarged academic agenda would enable it to have a wide research horizon the large membership would entail the incorporation of diverse views – not necessarily those restricted to the members of the IONS.

The formulation of such a forum- that would take sustenance from IONS was suggested at the inaugural seminar of the IONS and in subsequent seminars and Track II events – however this suggestion has yet to fructify.

The way forward for maritime partnerships

An overview of some of the main multinational forums of the region strongly indicate the lack of importance accorded to issues contextual to maritime security and resultant partnerships in the area. Paradoxically while many fora flag economic activities for enhancing trade and investment in their charter – the vehicle for major commercial intercourse – ie sea borne trade and its associated security find themselves missed out except in some regional charters.

In the current scenario the best option and hope for the future probably lies in the IONS initiative which again till very recently had lost a lot of its steam and had displayed an unimpressive performance. However with the assuming of a new Chair of the initiative – the prospects of the immense potential of this initiative look achievable.

It must be remembered that any overarching maritime forum to be successful in the region requires the adherence to certain ground rules. The primary amongst them being that there is a necessity to carry forth prioritization and reorganisation of

regional maritime objectives in consonance with the overall aims for better maritime governance and cooperation. It is only through such flexibility of the littorals that better sea governance and partnerships can be achieved.

Part of the lacunae for the lack of initiatives in the region rests in the fact that any proposal by a littoral state risks being perceived as a hegemonistic application of its prowess- due to the distrust that runs deep in the area. Hence it is only through sustained efforts, assuaging of feelings and enhanced sensitivities that it is possible to remove the mistrust and apprehension for achieving the bed rock of stable multilateral partnerships.

In this entire scenario, Track II institutions have an important role in supporting the cause of the Track I. Not only can they help in removing mistrust but also providing the necessary academic inputs required for policy decision making processes.

Taiwan and its place in maritime partnerships

Taiwan is country that plays a pivotal role in the geo politics of the entire region. An island nation largely dependent on sea borne trade for its well being, it is keenly sensitive to maritime security issues and ensuing maritime partnerships. Essential for overcoming the challenges and ensuring the free flow of maritime commerce.

However, given the uniqueness of the geo political situation facing Taiwan and the unlikelihood of it being able to become a formal member of the various multilateral forums/ partnership mentioned earlier due to the needlessly strident opposition from the PRC- the situation warrants multi-pronged responses to overcome lacunae.

The response can be dealt with in two different levels operating simultaneously – at the Track I level it could tie up bilateral MoUs or soft informal agreements for coordinating and cooperating with navies in various areas of the region.

At the second level it will be pragmatic to join some of the Track II maritime initiatives and continue playing and influential role in maritime issues. Contextually Taiwan continues to play an active role in the CSCAP (Council for Security Cooperation in the Asia Pacific) which feeds its outputs to the ASEAN Regional forum (ARF) .

The proposed Track II version of the IONS can also be viewed in the same context. Hence Taiwan will not only avoid the continuous opposition from the PRC at the Track I level but continue to play an active role in the Track II while influencing Track I.

Conclusion

The littorals of the IOR are largely dependent on oceanic trade of goods and on lifelines of energy shipment for their well being. However a singular maritime thread does not bind these countries together as has been evidenced by the lack of this subject in the charters of most multi lateral forums operating in the region. The need for adopting cooperative approaches in the face of increasing transnational maritime challenges, is an imperative that few nations can afford to avoid. However the dissonance and the apparent sea blindness arises partially due to the vast difference in maritime capacities, a Hierarchy of Relevance coupled to a continental mindset which is paradoxically prevalent even in archipelagic /island states in the region.

Maritime security cooperation exists in this region, but only at the sub-regional level, and not at the supra-regional level; The region lacks a vibrant overarching forum geared towards cooperating and discussing maritime security issues – thus creating maritime partnerships in the process.

IONS probably is the only forum which – to an extent overcomes these lacunae and fulfills the criteria. But even though the objectives of IONS have been laudable and

the initiative has had an enthusiastic start – its subsequent performance has been well below par. The recent impetus provided by the change of Chair of IONS and the holding of the biennial meeting in UAE – along with the proposed Track II version of the IONS - will hopefully galvanize this initiative to achieve its vast potential and force countries that have suffered from inherent distrust to cooperate on maritime security and form partnerships. After all as the old adage goes – the seas unite while the land divides!

End Notes

- ⁱ Porter, Ian W.: "The Indian Ocean Rim", African Security Review, Vol. 6, No. 6, 1997 (<http://www.iss.co.za/Pubs/ASR/6.6/Porter.html>). p81
- ⁱⁱ Snyder, C.A. "Regional Security Structures", in Snyder, C.A. (ed) *Contemporary Security and Strategy*. London: Macmillan Press, 1999; p114
- ⁱⁱⁱ Asia-Pacific Economic Cooperation (APEC) forum, Indian Ocean Rim Association for Regional Cooperation (IOR-ARC), the Southern African Development Community (SADC), Economic Community of West African States (ECOWAS), Southern Cone Market (Mercosur)
- ^{iv} Available at <http://www.iorarc.org/about-us/how-ior-arc-operates/scope-of-work.aspx>
- ^v Available at <http://www.arab.de/arabinfo/gcc.htm>, accessed 4 December 2007
- ^{vi} Available at <http://www.gcc-sg.org/English/EPicShow.asp?mycover=40.html>,
- ^{vii} The Declaration on the Conduct of Parties in the South China Sea (DoC) was signed between ASEAN members and China on 04th Nov 2002 at Phnom Penh and it sought the "adoption of a code of conduct in the South China Sea (that) would further promote peace and stability in the region and to work, on the basis of consensus",
- ^{viii} Available at <http://www.apec.org>
- ^{ix} Available at <http://www.dfat.gov.au/arf/index.html>
- ^x The author was involved in conceptualizing and coordinating the IONS inaugural seminar on behalf of the NMF the co-sponsors of the event.
- ^{xi} Pradeep Chauhan, "IONising the Indian Ocean", *Force*, Vol 5, No 6, pp 44
- ^{xii} Some of the notable exceptions included Pakistan Bahrain and Iran. The latter agreed to attend but couldn't do so in the last moment. Pakistani Navy sent its Naval Attaché to New Delhi as its representative to the conclave.
- ^{xiii} P K Ghosh, "Indian Ocean Naval Symposium: Uniting the Maritime Indian Ocean Region", *Strategic Analysis*, Vol 36No 3, May -June 2012,p 354
- ^{xiv} For a more detailed treatment see Y V Athavale "The IONS Initiative and its Prospects for Security Cooperation within the IOR" *Maritime Affairs* Vol 6, No.1, Summer 2010, p109
- ^{xv} An IONS Technical seminar 2009 was held in Sri Lanka Colombo from 21-23 May 2009. There was participation from 31 delegates from 18 member countries at the event. The theme was 'Practical Cooperative Mechanisms for Technical Support within the Indian Ocean Region'
- ^{xvi} This major meeting of IONS was held in UAE 10-11 May 2010 and the theme was "Together for the Reinforcement of Maritime Security in the Indian Ocean"
- ^{xvii} The CSCAP Study Groups undertake detailed studies on various subjects including aspects of maritime security – the output documents of these studies (called Memorandums) are forwarded to the ARF for consideration after they have been approved by the Steering Committee of the CSCAP.
- ^{xviii} P K Ghosh, Note xiii A similar initiative was suggested by Adm Arun Prakash (Retd) during IONS 2008 seminar presentation "Commonalities in Maritime Challenges and Options for a cooperative IOR Structure". A modified version was suggested by the Author in Canberra during the IOMS seminar in 2009 .

“Maritime Partnership: Naval Cooperation in the Indo-Pacific”

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Introduction:

The risk of conflict in the South China Sea is increasing.

China, Taiwan, Vietnam, Malaysia, Brunei, and the Philippines have competing territorial and jurisdictional claims, particularly over the right to exploit the region's rich reserves of oil and natural gas.

Freedom of navigation in the region is also contentious issue, especially between the United States and China over the right of U.S. military vessels to operate within China's 200-mile EEZ.

The U.S. and Chinese conflicting interpretations on “freedom of navigation” have resulted in several incidents in the EEZs of the South China Sea and the East China Sea.

China has begun a substantial modernization of its maritime paramilitary forces as well as naval capabilities to enforce its sovereignty and jurisdiction claims by force if necessary.

A major source of growing tension in the South China Sea (SCS) is China's territorial and maritime claims of sovereignty over much of the entire sea (“U-shaped line”).

China's interests bear a strong ‘territorial’ character, which flows from its revisionist policy and national objective of “territorial consolidation.”

China has lately been more vocal in asserting its maritime territorial claims along its entire maritime periphery in the Western Pacific (the South China Sea and the East China Sea) utilizing both political and military means.

In 2010, Chinese high-ranking officials told two visiting senior Obama administration officials that China would not tolerate any interference in the South China Sea, now part of China's “core interest” of sovereignty.

China has not yet actually moved to unilaterally change borders, interfere with shipping on the high seas, or attack its neighbors, but we have witnessed an obvious intention of China to assert its territorial claims with military strength.

In late July, 2012, China decided to establish a military garrison in the South China Sea and to upgrade the administrative status of an island outpost called Sansha in waters claimed by multiple countries including Taiwan, Vietnam, and the

Philippines, risking a further inflammation of tension in the area.

While it is not clear how large the garrison will be at the present time, this is a game-changing political decision by China and a sign of the beginning of true Chinese hegemony in Asia..

As we have witnessed, Chinese peace and harmony rhetoric and strategic actions can be diametric opposites and take a predictable pattern of proclamations of core interests and nonnegotiable rights as Beijing's military capability builds up, with nationalistic demands for strong action.

This cannot but be of concern to countries of the Indo-Pacific.

China's greatest attention seems to focus on natural resources such as fishing and energy in the South China Sea, but judging from China's nuclear strategy, the South China Sea is highly likely to become a sanctuary for the deployment of its nuclear deterrent force, "Jin" class SSBNs.

Without understanding the nuclear dimension, it will be difficult to thoroughly understand the South China Sea disputes.

In this paper, I would like to assess China's maritime expansion in the context of its nuclear strategy.

As we discuss China's nuclear strategy which is closely related with South China Sea issue, we cannot ignore the strategic importance of an unspoken key player, Taiwan.

Taiwan is situated in a critically important strategic location to check China's attempt to deploy its naval forces into the Pacific and to gain a credible sea-based nuclear retaliation capability in the South China Sea.

This paper points out the most feasible and workable naval cooperation among the U.S.-Japan alliance and other democratic maritime nations including Taiwan, to deal with the threat in the Indo-Pacific.

The Situation in the Indo-Pacific:

Japan, Taiwan, ROK and some of the ASEAN states despite deep economic relations with China, have serious sovereignty and resource issues with the Beijing government.

The U.S., having interest in freedom of navigation in the South China Sea and treaty obligations with Japan, Taiwan, ROK and the Philippines, has indicated its determination to remain engaged.

China is fully aware that its maritime strength will give it the strategic leverage it needs to gain hegemony in the region and to emerge as a potential superpower.

As China's assertive stance becomes more forceful, in tandem with the growth of

its naval power, the outcome could even lead to an armed conflict in the Western Pacific involving the United States.

This may involve many countries in the region and have significant effects on regional stability, impacting on substantial trade flows to and from the region and on curtailed freedom of navigation.

China's growing naval presence is troubling for India also.

China's "string of pearls" strategy has significantly expanded its strategic depth in the Indian Ocean region.

China has been acquiring naval facilities along crucial choke-points in India's backyard, not only to serve its economic interests but also to enhance its strategic presence in the region.

- The South China Sea:

China retains the ambition to control almost the entire waters of the South China Sea and the East China Sea ignoring international standards and the rules of "freedom of navigation."

China is claiming unacceptably broad and restrictive jurisdiction based on a vague concept of "historical waters" and adopting an arbitrary and incorrect interpretation of UN Convention on the Law of the Sea (UNCLOS.)

Since the mid-2000s, China's efforts to consolidate its claims and bully others has increased through diplomatic, administrative and military means, particularly making the best use of paramilitary maritime law enforcement agencies (Five Dragons).

China's aggressive behavior in the South China Sea has caused a backlash among its neighbors and hardened their determination to resist China's conduct.

China's recent elevating of administrative level of Sansha City and deployment of a new military garrison there covering disputed areas of the South China Sea are certain to work against to cooperative diplomatic efforts to resolve differences and risk further escalating tensions in the region.

As for ASEAN states, in July, 2012, the 10 member nations of ASEAN failed to issue a joint communiqué for the first time in ASEAN history, after heated discussion over the island disputes amid claims that Cambodia, this year's ASEAN chair, was abrogating its ASEAN responsibilities and siding with China, its biggest financial supporter.

According to PacNet #46, July 23, 2012, behind Cambodia's passivity, there was pressure from China to keep any mention of the South China Sea, especially the recent standoff in the Scarborough Shoal, out of the final statement.

It is highly likely that ASEAN's weak stand may encourage China to take a harder line position in the future.

As for the United States, the Obama administration has taken a cautious but firm position on South China Sea issue since its inauguration in 2009. While taking the attitude that the United States takes no side in territorial disputes, the Obama administration has vocally backed the ASEAN claimants' rights to peaceful and multilateral settlements of territorial claims, including statements that freedom of navigation and a peaceful resolution of claims accepted by all nations was a U.S. national interest.

The recent tension in the South China Sea began to rise with a long standoff between Philippine and Chinese vessels in waters adjacent to the Scarborough Shoal following a period of relative quiet after the East Asian Summit (EAS) in November, 2011.

Tensions generated by contested territorial and maritime boundary claims in the South China Sea have been highlighted by the actions of patrol ships of China's maritime law enforcement agencies which engaged in aggressive behavior against Philippine and Vietnamese survey ships.

The incidents have warned ASEAN countries of the increasing frequency of incidents at sea, which in absence of conflict prevention mechanisms among the claimants, could escalate into more dangerous confrontations in the future.

These incidents made the littoral states realize of the need to have detailed guidelines to implement the Declaration of Conduct (DoC), the non-binding conflict management agreement signed by the ASEAN states and China in 2002.

In July, 2011, the guidelines were issued. However, a meeting of ASEAN leaders in April showed sharp divisions within the ASEAN on how to proceed with an ASEAN-China Code of Conduct (CoC) for the South China Sea.

The guidelines lack specifics and do not go beyond existing clauses of the DoC. They simply repeat the parties' commitment to promote peace and stability in the South China Sea and pursue a peaceful resolution of disputes.

The guidelines stipulate that the implementation of the DoC be conducted in a step-by-step manner; that participation in cooperative projects be voluntary; and that Confidential Building Measures (CBM) be decided by consensus.

Due to China's opposition and the lack of consensus within ASEAN, there is at present no effective preventive mechanism in the South China Sea.

● The Indian Ocean:

While the United States was bogged down in Iraq and Afghanistan, China had the beachhead to expand its influence in the Indian Ocean region with its friendly nations: Pakistan, Myanmar, and Sri Lanka.

Over the long-term, China's emergence as a regional power in the Indian Ocean will have the potential to affect the economy and security of India, the U.S. and other maritime countries in many ways.

Dr. K. Subramanyan, an Indian scholar, wrote as follows in 1994: "China has plans to deploy its navy in the Indian Ocean in early years of the 21st century." If so, the piracy off Somalia provided the opportunity that the Chinese may have been looking for. It may thus be inferred that the Indian Ocean is China's secondary area of maritime interest.

The areas of maritime interest of China and India broadly overlap. Therefore, there are possibilities of conflict between China and India in the future, especially in the case that China pursues development of its own capabilities both in power projection platforms and in infrastructure to support them in accordance with its Indian Ocean strategy.

✧ Strategic Land Bridge:

China's dependence on the Indian Ocean for its energy transit represents a major strategic vulnerability.

U.S. and Indian naval superiority in the Indian Ocean constrains China's use of a military option to meet its maritime territorial objectives in the Western Pacific,

Symptomatic of this anxiety is the term "Malacca Dilemma" used to describe President Hu Jintao's anxiety in his statement of November 2003: "some big powers have tried to control and meddle in the Strait of Malacca shipping lanes....[We need] a new strategy....to ensure energy security."

This might be able to be achieved through overland energy pipelines to bypass the Southeast Asian choke-point.

These projects include Sittwe(Myanmar), Gwadar(Pakistan), Chittagong (Bangladesh) and Kra (Thailand).

However, pipelines are unlikely to reduce China's strategic vulnerability since they will be inadequate to support the growth in China's oil demand and the large percentage of its oil transported through the traditional SLOCS.

✧ String of Pearls:

The buildup of a string of strategic relationships along the sea lanes from the

Middle East to the South China Sea has been termed a “string of pearls”.

The string further covers China’s SLOC through which Beijing, the second largest consumer of oil in the world and the third largest oil importer, imports the bulk of its oil

Even after the establishment of new pipelines, the need to secure the SLOCS in the Indian Ocean will remain so that we can anticipate long distance presence of the Chinese Navy in the Indian Ocean region.

The Goal of China’s Strategy in the Indo-Pacific:

While China is conducting various maritime activities in the South China Sea such as operations to comply with the imperatives for natural resources and to facilitate SLOC security, the ultimate goal of China’s strategy is to obtain credible nuclear retaliation capability in the South China Sea and to become a military super power, a real competitor of the U.S.

- If China succeed to make the South China Sea a sanctuary for SSBN deployment, it would provide China with an opportunity to obtain credible sea-based nuclear deterrence capability and tip the current U.S. nuclear superiority.

Possessing a credible sea-based nuclear deterrence capability is a priority for China’s military strategy and the followings constitute the rationale of China’s bastion strategy in the South China Sea:

- ① In the adjacent waters around China, only the South China Sea provides deep water for the safe deployment of SSBNs
- ② China has constructed a large naval base including an underground submarine bunker in Sanya, Hainan Island in the South China Sea.
- ③ China has built two “Jin” class SSBN equipped with 12 missile tubes for JL-2 SLBMs (estimated range of 8,000 Km) which are moored alongside a pier in Sanya. At present, two additional submarines are under construction.
- ④ The PLAN’s sole aircraft carrier, the Varyag, is highly likely to be deployed in the South China Sea, as it seems to be unable to conduct genuine carrier operations and is incapable of conducting full- fledged naval operations in the open sea. However, SSBN protection operations under the air cover provided by land-based aircraft will be the only imaginable mission for the aircraft carrier.
- ⑤ China continues the development to extend SLBM range to cover CONUS.

⑥ China is developing A2/AD capabilities to protect the South China Sea.

During the Cold War, the Soviet Union (USSR) turned to its SSBN force as insurance against U.S. capabilities to destroy Soviet land-based ICBMs.

The need to secure its SSBN force from attacks by U.S. anti-submarine forces meant that Soviet SSBNs had to be deployed in home waters with SLBMs of sufficient range to strike the continental United States (CONUS.)

In addition to the Barents Sea, the USSR gave priority to making the Sea of Okhotsk a safe haven for the Delta class SSBNs by fortifying the defense of the Kuril Islands and reinforcing the Pacific Fleet at Vladivostok.

Ultimately, the Soviet Pacific Fleet deployed more than 100 submarines together with 140 surface combatants including two Kiev class V/STOL aircraft carriers, to protect its SSBN force in the Sea of Okhotsk.

Similarly, China needs to protect its SSBNs in the South China Sea and modify its maritime strategy. With the commissioning of the Jin class SSBN, protection of SSBNs is likely to become another primary mission of the PLA Navy.

This mission will require China to keep the South China Sea off-limits, preventing adversary ASW forces from attacks, and to silence other claimants in the SCS.

According to the Military Balance 2011, China is constructing two more (four in total) Jin class SSBNs.

The refurbished former Russian aircraft carrier, "Varyag" has conducted sea trials and it is likely to deploy in the SCS to protect SSBN from attacks by enemy ASW forces in addition to the mission to silence the claimant countries in the region.

At the same time, China is developing A2/AD capabilities.

All these activities are relevant to "China's SSBN bastion strategy."

China is thus making every effort to put the South China Sea off limits.

It is certain that China will obtain credible nuclear retaliation capabilities if it succeeds in making the South China Sea a sanctuary for its SSBNs and in extending SLBM range slightly.

The U.S. and Chinese conflicting interpretations on "freedom of navigation" have resulted in several incidents in the EEZs of the South China Sea and the East China Sea.

China expressed concern over the United States' increasing engagement in the South China Sea, adding that it opposes the internationalization of the issue.

China holds that the South China Sea issue is a dispute over sovereignty about territory and maritime rights between the relevant countries, and is not an issue

between China and ASEAN as a whole, nor a regional or international issue.

China's opposition to the "internationalization" of the South China Sea issue is equivalent to an attempt to de-internationalize an international sea.

If the South China Sea is de-internationalized, China would be able to bring its strength to bear on the Southeast Asian countries and impose its own rules, rather than those promulgated ones by international law.

Neither compromises nor concessions from China over maritime rights and territorial sovereignty in the South China Sea are likely, as the primary aim to control the entire waters of the South China Sea derives from China's national strategic objective, not only by imperatives for natural resources.

How to Cope with China's Maritime Expansion

The United States has kept its own position saying it takes no side in the territorial disputes in the South China Sea and maintaining that peaceful resolution is its national interest.

So far as the islands and the small areas of territorial waters surrounding those islands are concerned, the current U.S. policy will be fine. However, China has shown little interest in a diplomatic settlement and won't rule out the use of force to claim and control the entire South China Sea.

The key which could change China's calculations might be improved security ties between the United States and other maritime nations including claimants.

We, the maritime nations, need to call out that China's claim to the waters within the U-shaped line as groundless in the context of international law and declare that we will fight to keep the SLOCs open.

The United States is certain to prevent China from obtaining a credible nuclear retaliatory capability and Japan cannot be allowed to remain a bystander in this regard.

That is to say, the U.S.-Japan alliance cannot tolerate wasting time doing nothing and just watching China is trying to monopolize the South China Sea and gaining a credible nuclear second strike capability.

Now is the time to attach more importance to "Deterrence" rather than to "Negotiation."

In order to prevent China from making the South China Sea its inland sea, the U.S.-Japan alliance should commence joint patrols in the South China Sea and the East China Sea quietly under close cooperation as they did in the Sea of Japan and the

Western Pacific during the Cold War.

The United States, Japan and Taiwan share a range of interests that will grow with economic development and the changing power dynamics in the Asia-Pacific region.

One important shared goal should be bolstering a regional order based on freedom of navigation, free and open commerce, the rule of law and, more importantly, a U.S. nuclear umbrella.

The three countries should explore their common interests and collaborate and coordinate their policies.

A U.S.-Japan alliance and Taiwan trilateral dialogue would go a long way toward addressing near-term priorities even as it would promote an order in the Asia-Pacific that is conducive to strategic, economic and political stability, continued free and open trade, and democratic governance.

Taiwan could take part in the joint patrol quietly, conducting maritime patrols in the adjacent waters of Taiwan under close coordination with the U.S. Navy.

While India and other like-minded countries which share the interests in the Indo-Pacific could join the U.S.-Japan joint patrol, Taiwan's tacit participation would be most welcomed.

Shaping Naval Cooperation Scheme in the Indo-Pacific.

It is true that there are many areas such as humanitarian relief and disaster assistance, anti-piracy, peacekeeping operations, etc. in which we can cooperate with China at sea.

The primary aim of the above mentioned cooperation scheme is not to contain China, but to serve as countermeasures to check China's ambition to control almost the entire areas of the South China Sea and the East China Sea by ignoring international standards and the rules of "freedom of navigation."

We must flatly refuse China's claim for unacceptably broad and restrictive jurisdiction based on a vague concept of "historical waters" and adopting an arbitrary and incorrect interpretation of United Nations Convention on the Law of the Sea (UNCLOS.)

There is no time to spare. Now we need "action" rather than to "organize a scheme."

The basic idea of the above mentioned cooperative scheme does not only pursue only operations of surveillance, reconnaissance and intelligence (SRI) for SLOC security, but also envisions operations to prevent China from gaining a credible nuclear second strike capability.

Preconditions for the cooperation scheme will consist of "shared values," "common

threat perception,” and “no conflict of interests.”

The candidates for the proposed cooperation scheme members will include the U.S.-Japan Alliance, Taiwan, Australia, India, ROK and the ASEAN states. Of course, other like-minded countries will be welcomed.

Taiwan's Situation and Expected Roles:

First of all, Taiwan's strategic value should be noted.

We cannot hold realistic discussion on the South China Sea putting Taiwan aside due to the following reasons:

- Vital international SLOCs are traversing the adjacent waters of Taiwan.
- Taiwan is situated in an ideal geographical location as a strategically important foothold to check China's naval expansion into the Pacific and to monitor China's maritime activities in the South China Sea and East China Sea as well.
- Taiwan shares values and interests with other democratic countries such as the United States and Japan.
- Judging from the facts that Taiwan is a democratic country under direct threat from China, Taiwan needs to prevent China from directly attacking and thereby, gaining hegemony in the Indo-Pacific and obtaining a credible nuclear second strike capabilities.

Therefore, Taiwan, while concentrating upon national defense, can never avoid getting involved in South China Sea issues with regard to sovereignty issues, SLOC defense and the U.S. nuclear umbrella.

More importantly, Taiwan has sufficient military capabilities to conduct maritime patrols and possesses a willingness to cooperate.

Thus, Taiwan is fully qualified to join the cooperative scheme if it desires.

If so, Taiwan's expected roles will include:

- ① Improvement of defense capabilities
- ② Protection of sovereignty of the islands under Taiwan's control
- ③ Maintenance of naval presence in the South China Sea
- ④ Surveillance, Reconnaissance, Intelligence operations in the South China Sea and the adjacent waters, closely coordinating with the United States

The Outline of the Cooperation Scheme:

The cooperation scheme will take the shape of a coalition of like-minded countries to prevent China from monopolizing the South China Sea by conducting joint patrols in a tacit manner.

The U.S.-Japan alliance will quietly take the lead in formulating the cooperation

scheme with its “dominant naval capabilities,” “high level of interoperability,” and “long history of a close alliance.”

As an immediate action item, a joint patrol in the South China Sea will be planned and conducted by U.S. and Japanese forces.

As for coordination within the cooperation scheme, for the time being, the U.S. will be a point of contact for Taiwan.

Once Taiwan joins the scheme, Taiwan is recommended to commence maritime patrols in the South China Sea keeping close coordination with the U.S. Navy.

It is certain that Taiwan’s highly capable P-3C fleet will play the primary role under command and control by ASWOC (ASW Operations Center), the control center of P-3C operations.

An ASWOC can play a great role in exchanges of information between Taiwanese forces and the U.S. Navy as well.

Since the JMSDF and the U.S. Navy are well integrated in their ASWOC systems, Taiwan’s ASWOC could pave the way for Taiwan to join the international community and liberate Taiwan from its long time strategic isolation.

The Roles of Participating Countries:

The roles of participating countries are summarized as follows:

- The U.S.-Japan alliance:

The U.S.-Japan alliance will be responsible:

- ① To take the lead in formulating the cooperation scheme
- ② To plan and conduct joint patrol operations in the South China Sea
- ③ To exchange information with other participating countries
- ④ To assist ASEAN states in terms of capacity building and operational support.

- The Maritime States:

The other maritime states will be required:

- ① To take part in South China Sea operations
- ② To maintain mutual support among participating countries
- ③ To exchange information
- ④ To provide ASEAN states with training, technical assistance, financial support, etc. in order to improve their maritime capabilities

- ASEAN states:

- ① To improve their own maritime capabilities
- ② To exchange information among members

- ③ To provide logistic support to the coalition members
- ④ To offer bases and training facilities as required
- ⑤ To cooperate with each other in regionally appropriate patrol missions

Conclusion:

We have learned that China does not seek to build a new world order in cooperation with Western democracies; it seeks one that it alone will dominate, but this does not mean that conflict with China is inevitable.

It is certain that China is not only a competitor for resources, for access and influence, but is also a big power seeking a credible nuclear second strike capability in an assertive manner.

China called the South China Sea a “core interest” in 2010 and began coercive actions against other claimants with threats and the use of force.

Therefore, it will be almost impossible to expect Chinese concessions on South China Sea issues.

It is urgently required for the United States and Japan to commence joint patrol operations in the South China Sea and to facilitate the U.S.-Japan alliance joining in a maritime coalition among like-minded countries paying more attention to the strategic value of Taiwan.

Once Taiwan tacitly joins the joint patrol operations, we can exert efforts more effectively to deter China’s aggressive maritime expansion and to prevent China from making the South China Sea its SSBNs’ sanctuary.

If we leave the situation in the waters adjacent to China as it is, such a lack of resistance could embolden China to pursue its own interests more aggressively than ever.

It is not necessary to contain China’s development: the key point should be to deter Beijing’s aggressive plan to undermine the stable maritime order in the entire Indo-Pacific region.

Passivity is only certain to facilitate a China-centric new world order with catastrophic consequences for the democratic maritime nations.

Cooperative Seapower in Asia-Pacific

—Proposal for Regional Cooperation in Maritime Security Coalition—

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China has been working on the rapid modernization and enhancement of nuclear weapons, ballistic and cruise missiles, air-sea powers, and space and cyber warfare capacities. In recent years, China has been taking the hegemonic behaviors advancing toward East China Sea, South China Sea, and the Western Pacific. Such Chinese assertive advancement toward the near seas and the outer oceans backed up by the rapidly enforcing military power, causes friction with the concerned countries of the Northeast and the Southeast Asia, and rises to situations hot at times, evoking the vigilance of international and regional community.

Historically, aggressive maritime advancement of Chinese navy began in South China Sea in the 1970s, then went to East China Sea in the 1980s, even then, gradually expanding range and its action from the coastal waters to the near seas, and eventually comes to the outer oceans, such as the Western Pacific.

Chinese navy made up its "Near Sea Strategy" in 80s to ensure national defense and marine rights. According to that strategy, Chinese First Island Defense Line linking the Japan Islands, the Nansei Islands, Taiwan, the Philippines and Borneo was formulated to "an absolute sea line of defense", including East China Sea and South China Sea.

Moreover, backed up by the enforcing naval power, China is expanding its defense zone toward east, making its Second Island Defense Line linking the Izu Islands, Ogasawara (Bonin) Islands, Mariana Islands and New Guinea, is now formulated China's eastern frontier line of the "strategic buffer zone" between its First Island Defense Line.

Chinese naval advancement has not stopped in the near seas or the Western Pacific but continued in other outer seas such as Sea of Japan, Indian Ocean, Oceania, or the Southern and the Northern Pacific Ocean where other important SLOCs are running through. That is because regional like-minded sensible maritime countries sharing common values and interests should step forward to make up "Maritime Security Coalition" in order to keep vital SLOCs safe and stable for themselves, region and the world.

1. Rising Importance of SLOCs Today

(1) SLOCs Vital for the Asia Pacific Regional Security

Under the current security situation, there are some notable instability factors that threaten Asia Pacific regional security. Those can be classified into two major categories of traditional and non-traditional factors.

For traditional factors, first of all, there are some confrontational structures as the remnants of the Cold War era, such as those in the Korean Peninsula and the Taiwan Strait, which still cast the shadows of instability, uncertainty, and unpredictability in the region. The second factor is the rapid build-ups of Chinese military power mostly in their naval and air forces, which have the potentials of disrupting regional military power balance, as well as military use of space and cyber domain. The third factor involves territorial, religious and ethnic disputes founded on historical controversies. Especially, the territorial disputes over islands have the potential to develop into armed clashes. The fourth factor is the

confrontational structures over marine interests, which are closely related to the territorial disputes over islands. All these factors are likely to present serious effects over the security and stability of the region as a whole, as they can obstruct the security of SLOCs.

Non-traditional factors, on the other hand, are those new factors that become apparent after the end of the Cold War. The fifth factor is the proliferation of the weapons of mass destruction and ballistic missiles from the Northeast Asia to Pakistan, Iran and other regions mainly through regional SLOCs. The sixth factor is the increased vigor of terrorist activities such as bomb attacks, as international terrorist groups' strengthened ties with other relevant groups in and out of the region, mainly targeting the nations with weaker governance, islandal seas and remote islands. This becomes especially apparent after 9.11 terrorist attacks. The seventh factor is the trend of globalization and reorganizing of unlawful crime activities through oceans, such as piracy, narcotic trades, and human trafficking in the region. The eighth factor is, from the long term perspective, China's ambition to secure maritime hegemony, as demonstrated in their efforts to build so-called the "string of pearls", a series of strategic (political, economic and militarily) bases, along the vast major SLOCs connecting the Middle-East and the Northeast Asia in a way to confront the existing "maritime powers", such as the US or even India and Japan.

Upon examining these instability factors, we find some key words common to them. Among of them, the "security of SLOCs" is the most important keyword for the stabilization of the Asia Pacific region as a whole.

(2) Importance of Multilateral Cooperation for the Security of SLOCs

Needless to say, the "security of SLOCs" is also important to regional economy. The regional economy including Japan has developed with, and is largely dependent on, the maritime transportation using secured SLOCs. Especially oil resources that are indispensable for existence and prosperity of Japan and region are largely dependent on the security of the lengthy and broad SLOCs, connecting Indian Ocean, Malacca-Singapore Strait, South China Sea and East China Sea. Hence these SLOCs are literally the lifelines of the region. The Malacca-Singapore Strait is in fact the "lifeline of the Northeast Asian countries" covering China and South Korea as well as Japan, making it in a way the "Achilles' tendon" in the world economy. Annually about 50,000 ships, more than a quarter of world's maritime cargo shipment, and about one half of entire trade volumes of Japan, China and South Korea navigate through this Strait. Considering only the tanker shipments, about 50% of world's tankers and about 85% of oil tankers navigating from the Middle East region to the Northeast Asia goes through Malacca-Singapore Strait.

To ensure the "security of SLOCs" in the Asia Pacific region is, in itself, certainly important for regional economy and security but SLOCs do not end in one single region. As the regional trades in the Asia-Pacific region, Indian Ocean region, and Oceania and the South Pacific region continue to grow in recent years with Australian increasing amount of energy, resource and foods supply to the Northeast Asian countries, such as uranium, coal, natural gas, iron ore, rare earth or meat, as well as Indian rapidly growing economy led by IT industry, the regions increasingly recognize, especially, the importance of the "Broad SLOC", which is the lifeline of unified region, extending far beyond the Asia Pacific region toward the neighboring waters of Oceania and the South Pacific, and Indian Ocean region.

Among major SLOCs adjacent to Japan, those in Oceania and the South Pacific, and the East Pacific regions are relatively stable, with no significant threats existed. In these regions, the US maintains overwhelming influences by holding strongholds in Hawaii, Guam,

and the west coast of the US. The presence of other major democratic maritime allies, such as Australia and Canada also ensures the stability of these SLOCs. If there is any potential threat in these regions, it may be the possibility of China's aggressive military advancement beyond the Western Pacific, as they continue to rise as a major military power of the world. Thus their activities will require continued attentions. In this regard, the alliance among major Pacific democratic maritime powers of Japan, Australia, and Canada, with the world's largest and strongest maritime power, the United States, at the center will have significance in ensuring the security of SLOCs in pan-Pacific region.

Especially for Japan or the US, the alliance (or even semi-alliance) with Australia will have significance not only in the area of security of vital SLOCs but also in the overall areas of regional security. Considering recent situation of international economy and security, Australia is one of the most important and inseparable partner with Japan and the US in the "Expanded Asia" extending from north to south of Asia.

Australia shares basic values with Japan such as respect for freedom and human rights, and democracy, and is allied with the US, as is Japan. Although the main focus is on neighboring regions such as Timor-Leste and the Solomon Islands, Australia has been broadly and actively involved in resolving international security issues such as the problem in Afghanistan.

On the other hand, in terms of the context described above, India is also one of the most important countries in the "Expanded Asia" extending from east to west of Asia. The maritime security cooperation among countries of Japan, the US and India may be not less important than that of Japan, the US and Australia for the security of a part of the "Broad SLOC."

Indian Ocean region used to receive relatively less attention from Asia Pacific countries in the both aspects of economy and security. Recently, however, there is growing recognition in the importance of the Northern Indian Ocean region among broad Indian Ocean in view of the relationships with the Asia Pacific region in the both aspects of economy and security.

The country that has the most influential power in the Northern Indian Ocean region is India. India is the world's biggest democratic country governed by the administration elected through free multi-party election. Moreover, India shares many common basic values and systems with Japan and other major developed sensible countries such as freedom, democracy, and market economy.

Promoting the liberalization and reforms of economy since 1990's, India maintains higher economic growth rate through the development of IT technologies and IT industries. Supported by its robust economic growth, India is exercising active and multi-facet diplomacy, assuredly enhancing their presence in the international community.

However, the land route connecting the Northern Indian Ocean region and the Asia Pacific region is not fully developed yet, inevitably increasing the dependence on the vast SLOCs passing through the region. Moreover, in the both regions of the Northern Indian Ocean and the Asia Pacific region, the "maritime resource usage" or the activity related to marine resources such as fisheries and ocean bottom resources is a key for their future development. Because of these factors, any disturbance or disruption of the security of these SLOCs will likely cause severe adverse effects on the economy and security of these regions.

2. Mini-lateral Relationship with Australia or India centered by Japan-US Alliance

The US-Japan alliance is fundamentally a Maritime Alliance in the past, at present, and in the foreseeable future. Looking at the current security environment, however, it is

obviously not possible for either US alone, or Japan-US alliance alone to secure entire "Broad SLOC." It is indicated that both Japan and the US need to cooperate with other reliable maritime powers in pursuit of a new framework to secure the security of SLOCs. For this, Australia or India is expected to take more important role and mini-lateral security cooperation among Japan-US-Australia or Japan-US-India are expected to strengthen further.

In light of the trend of Chinese aggressive maritime advancement mentioned before, the other regional players other than Japan and the US, such as ROK, Taiwan or even Russia and members of ASEAN may need to cooperate mini-laterally or multi-laterally on the regional maritime security. However, the most important security relationship would be mini-lateral relationship among Japan-US-Australia in the North-South Expanded Asia and Japan-US-India in the East-West Expanded Asia; formulating the foundation for these countries to jointly cooperate and share burden as the driving force of a robust framework for the regional maritime security.

(1) Japan-US Maritime Alliance

After the World War Second, the US has taken the vital role of "the keystone" in the global and regional security.

Since the end of the Cold War, and especially after the 9.11 terrorist attacks, the US is exhausting its energy in response against new dangers such as the state-to-state confrontations based on religious and ethnic conflicts, unrelenting activities of international terrorist groups, and the links between Islamic radical groups and their expansion of influences. Especially important was the responses against Iraq and Afghanistan issues, where massive dispatch of armed forces has not made a visible progresses, and Iran and North Korea, which half openly pursue the development of nuclear weapons. Another vital issue for the US is how to build constructive relationships with China, which have the potentials to develop into powerful rivals in the future.

In order to properly address these complicated and serious issues, the US can no longer resort to a simple response measure of "the prestige of only one superpower." It needs the building of a mini-lateral or multilateral coalition to achieve the certain results more than ever. Thus, the US is trying to resolve these issues using the United Nations, or regional frameworks such as the ASEAN Regional Forum (ARF), East Asia Summit (EAS) or Six Party Talks. In reality, however, it is not so easy to solve these issues and they need to prepare pure-militaristic or semi-militaristic options. Therefore, the US is seeking to develop multilateral coalition even in peacetime in many areas including pure- or semi-militaristic measures so to respond against the proliferation of weapons of mass destruction such as nuclear weapons, and ballistic missiles.

At the same time, the US has been promoting the transformation of its military forces in order to enable proper execution of these measures. Especially, the US strongly wants not only to strengthen the existing alliances, but also to build nation-to-nation coalition in the forms of regional coalition with friendly partners, or mini-lateral or multilateral forces, in order to improve their readiness for global responsiveness and mobility.

Under such situation, the US Forces has been considering Japan as the core of its new military strategy in Asia in view of global and regional situation, and planed to strengthen the positions of the US Forces in Japan as the "beyond Far East regional forces", with their bases literally the "core military bases." Needless to say, Japan is a sovereign nation, so it will be the subjective decision by Japan side whether the positioning of US bases and US Forces in Japan is appropriate to the national situation and interests of Japan, although the

alliance with the US is to be maintained. However, there is a growing recognition in both Japan and the US that Japan-US alliance should be further deepened, extended and converted to raise more mutuality in alliance to conform to a new international environment.

As a result of bilateral discussions on the reassurance of the Japan-US alliance carried out on various levels, recovering from deadlocked issue of the relocation of Futenma air base, in June 2011, the Japan-US Security Consultative Committee ("2+2") held since 2007 in Washington DC. At the meeting the two sides confirmed the achievements of the process of deliberations in the aspects of security and defense cooperation. The Joint Statement at the "2+2" meeting re-examined and revised the common strategic objectives stipulated in the Joint Statement of the "2+2" meetings held in 2005 and 2007, and expressed the determination of the two countries to deepen and expand security and defense cooperation.

In this regard, Japan and the US need to strengthen the combined operation of US-Japan alliance from the global and regional perspective. Japan implemented various activities with the US Forces in the international cooperative operations under the Special Measures Law for Humanitarian and Reconstruction Assistance in Iraq and the New Anti-Terrorism Special Measures Law and PSI activities. Moreover, Japan has developed a framework for cooperation with the US Forces under the Law Concerning Measures to Ensure Peace and Security of Japan in Situations in Areas Surrounding Japan. Recently, cooperative activities by Japan-US Forces were extended to maritime activities against piracy in the western Indian Ocean as well as regional medical care support activities around South China Sea under the Pacific Partnership initiative. These kind of activities will likely increase importance in the future.

Recently, the two governments are to identify specific areas of cooperation by the end of 2012 concerning development of training areas in Guam and the Commonwealth of the Northern Mariana Islands. In addition to this, the transfer of the US Marine Corps units currently stationed in Okinawa to Guam Island in the near future is expected to provide the venue for the training and operation bases that can further strengthen the defense cooperative relationships with regional countries, such as Australia, led by Japan-US Alliance.

The fight against international terrorism, on the other hand, requires more comprehensive measures for much longer period of time. As international terrorist groups will likely develop more complex and sophisticated tactics, there will be greater opportunity to use international cooperation in the activities to prevent terrorist attacks. The analysis of terrorist activities indicates greater association and linkage between international terrorist groups and existing terrorist organizations in the Southeast Asian region. This means that there will be greater needs to develop regional maritime security cooperation with an aim to defend vital SLOCs in order to respond against terrorist attacks and other unlawful activities in Malacca-Singapore Strait and the Southeast Asian islandal seas.

Furthermore, if the situation calls for, there will be increased opportunities to engage in global joint actions in the forms of multilateral forces and coalition based on a UN resolution or regional agreement, as was in the case of OEF-MIO, which Japan resumed to support the maritime interdiction operation conducted by the multilateral naval coalition in the Northwest Indian Ocean. In such situation, Japan's Maritime Self-Defense Force (JMSDF) should be expected to take more responsible and substantial role in international cooperative actions with the US navy. As seen here, defense of SLOCs will have greater weight in the future of Japan-US Maritime Alliance. As mentioning later, mini-lateral maritime security coalition with Australia or India, centered by Japan-US, should be created and be evolving further.

(2) Japan-US-Australia “Mini-lateral Maritime Semi-Alliance”

a. Importance of Australia

The US has allied relationships with other major powers, including Australia, and because of their geopolitical situation, the US-Australia alliance also has the characteristics of the Maritime Alliance. Although Japan and Australia have not entered into formal alliance, the agreement made in March 2007 enabled them to enter so-called “semi-alliance” relationship. This semi-alliance between Japan and Australia is also basically Maritime (semi-) Alliance due to their geo-political relationship. The development of Japan-Australia bilateral relationships in security area may provide a foundation for the development into the “Mini-lateral Maritime Semi-Alliance” among three nations including the US.

b. US-Australia relationship

In September 1951, Australia, New Zealand and the US made the Security Treaty (ANZUS Treaty), but New Zealand withdrew from the Treaty in 1985 as a gesture to oppose the US’s nuclear policies, and the US canceled the alliance commitment to New Zealand in 1986. Instead of three nations alliance, the US and Australia started the US-Australia Ministerial Meeting on Security (AUSMIN), which has been held annually ever since.

Since the start of AUSMIN, Australia has become a major ally of the US and actively participated in the Vietnam War, the Gulf War, and military sanctions against Iraq. Upon 9.11 terrorist attacks, Australia decided the application of the Article 4 of ANZUS Treaty, which stipulates the exercise of collective self-defense right, and dispatched vessels, aircrafts and Special Forces to support the anti-terrorist activities of the US Forces. After the military operation against Iraq started in March 2003, Australia dispatched vessels and aircrafts too, and helped Iraqi restoration activities.

Australia recognizes that the strategic stability of the Asia-Pacific region relies significantly on the presence of the US, and emphasizes the importance of its alliance with the US based on the ANZUS Treaty. Australia stressed the importance of the alliance as a reason for the Australian military’s activities in Afghanistan. The close alliance has been maintained by taking part in the review of US strategy regarding Afghanistan and Pakistan, and a series of discussions for the preparation of the Quadrennial Defense Review (QDR) of the US.

Australia’s cooperation with the US is not limited to such military cooperation. The very foundation of their alliance is the joint military information center located in many places of Australian territory. Some of these are ground station to receive early warning information from satellites that provides the basis for ballistic missile defense (MD), and the communication center to monitor the navigation of vessels in Indian and the Western Pacific region. To share the military information between the US and Australia is called “Ties That Bind” (the lifelines of information connecting allied countries) and considered as one of the most important functions of the US-Australia alliance.

In addition, Australia is making efforts to strengthen their defense policies and equipment. Although the actual form of participation is still debated domestically, Australia decided to participate in the US-led Missile Defense Plan in December 2003. Moreover, the decision to introduce Aegis System as the combat system of new air-defense destroyers was made in August 2004, while making efforts to improve interoperability with the US through the development of the US-Australia joint exercise facilities in Australia.

In the AUSMIN held in November 2010, both countries reaffirmed the importance

of the US-Australia alliance and shared challenges such as Afghanistan. The two countries also agreed to strengthen cooperation concerning the new security challenges such as space surveillance and cyber security. Both nations are making efforts to improve interoperability for cooperation on humanitarian aid and disaster relief missions, as well as carrying out joint training exercises including "Talisman Saber." Moreover, Australia is participating in the US-led F-35 Joint Strike Fighter (JSF) project.

In November 2011, President Obama and Australian Prime Minister Gillard jointly announced US-Australia force posture initiatives, which include: (i) the rotational deployment of US marines to Darwin and Northern Australia for around six months at a time where they will conduct exercises and training with Australian Defence Force; and (ii) increased rotations of aircraft of the US Air Force through northern Australia, which will offer greater opportunities for combined training and exercises with the Royal Australian Air Force. The joint initiatives are described as part of the efforts to embody the basic concept of the US forces presence in the Asia-Pacific region, which intends to pursue "a more geographically distributed, operationally resilient, and politically sustainable military presence."

c. Australia-Japan relationship

Australia is a valuable and important partner for Japan in the Asia-Pacific region. Japan and Australia are allies of the US and share not only common basic values such as democracy, the rule of law, respect for human rights and freedom, as well as capitalist economies, but also strategic stakes and interests in the security fields. In particular, the norm that different countries should work in concert to address global challenges is one that has been becoming widespread in the international community in recent years. Therefore, as responsible countries in the Asia-Pacific region, Japan and Australia are strengthening mutual cooperation and collaboration focused primarily on non-traditional security areas such as humanitarian assistance and disaster relief activities.

In terms of bilateral defense cooperation and exchanges, the "Japan-Australia Joint Declaration on Security Cooperation", the first such joint declaration in the realm of security with a country other than the US, was announced at the Japan-Australia summit meeting between then Prime Minister Abe and Howard in March 2007. It has been making steady progress since then and has now reached the stage of more concrete and practical cooperation.

At the third Joint Foreign and Defense Ministerial Consultation ("2+2") in May 2010, the Acquisition and Cross-Servicing Agreement (ACSA) and its Procedural Arrangement were signed. During the Japan-Australia "2+2" and the Japan-Australia Defense Ministerial Meeting held in the same day as the signing ceremony, the anticipation was expressed of further promotion of cooperation with the Australian Defence Force in frontline activities such as UN peacekeeping operations (PKO) and disaster relief, while it was mentioned that broadening of the areas of future cooperation between two countries would be considered.

To date, Japan had only concluded the ACSA with the US. The conclusion of Japan's first ACSA other than the one concluded with the US on the premise of the Japan-US Security Arrangements is considered to have enormous significance for Japan's future defense cooperation and exchanges.

d. Japan-US-Australia Mini-Lateral Maritime Semi-Alliance

Japan-Australia semi-alliance will not remain in the promotion of bilateral cooperation in security fields, but may develop into the mini-lateral cooperation including the

US with more emphasis on “maritime semi-alliances.” Furthermore, it can move toward the building of “regional maritime coalition” that embraces other major democratic sea powers in widely “expanded Asia.”

In recent years, mini-lateral cooperation between Japan, the US and Australia has been increasing. As was previously mentioned, Japan and Australia are both allied with the US, and share fundamental values. They have been collaborating and cooperating closely in order to resolve the various challenges the Asia-Pacific region and the international community facing. In order to ensure the effectiveness and efficiency of such collaboration and cooperation, it is important that mini-lateral cooperation among Japan, the US and Australia, whose presence is indispensable for regional peace and stability, be promoted.

Under this recognition, the first Japan-US-Australia Defense Ministerial Meeting was held on the opportunity afforded by the 6th International Institute for Strategic Studies (IISS) Asia Security Summit (Shangri-la Dialogue) in June 2007. As well as agreeing to pursue continued cooperation among the three countries, it was agreed at the “2+2” in May 2010 to deepen consultation and collaboration in the area of security in the region, under a trilateral framework consisting of Japan, the US and Australia.

At the working level too, the Security and Defense Cooperation Forum (SDCF), which is a Director General-level meeting among the three countries, has been held four times since April 2007, with discussions taking place on such issues as trilateral defense cooperation.

In addition to this, Mini-lateral joint exercises were carried out in June 2012 for the fifth time, by Japan, the US, and Australia involving the JMSDF, the US Navy and the Royal Australian Navy. Furthermore, in February 2012, “Cope North Guam” took place in Guam with the participation of the Japan Air Self Defense Force (JASDF), the US Air Force and the Royal Australian Air Force, marking the first time that the Japan-US-Australia mini-lateral joint air force exercise had been held. In July 2011, the Japan Ground Self Defense Force (JGSDF) Chief of Staff and the Australian Chief of Army agreed to promote future joint training by dispatching observers to each other's joint training with the US military, with the objective of strengthening relations between Japan, the US and Australia, and an observer from the Australian Army was accepted for the first time at the joint Japan-US command post exercise, which took place between the JGSDF and the US Army in February 2012.

Through these discussions and cooperation, understanding of the situation can be shared by the three countries and policies coordinated. After the Great East Japan Earthquake in March 2011, C-17 transport aircraft of the Royal Australian Air Force provided transportation, in close collaboration with the SDF and the US Forces in Japan. Once ACSA between Japan and Australia comes into force, it will be important to further develop and deepen the collaborative relationship among the three countries, by promoting trilateral cooperation more proactively in the operational area such as disaster relief and joint exercises.

In November 2011, the US President Obama delivered a speech at the Australian Parliament, clearly stated that he will give top priority to the US presence and mission in the Asia-Pacific region and indicated that the US will enhance its presence in the Southeast Asia while maintaining the presence in Japan and the ROK. This policy of the US is reaffirmed in the defense strategic guidance. Concrete examples of the enhancement of US forces' presence in the Asia-Pacific region include enhanced presence of US forces in Australia as described before.

(3) Japan-India-US “Mini-lateral Maritime Partnership”

a. Importance of India

The Indian Ocean region is in the strategically important location with geo-political importance as a corridor connecting the Asia Pacific region with the Middle East and Europe, while forming the majority of the "Arc of instability" which expression appeared first in the US's 01QDR announced immediately following the 9.11 terrorist attacks in 2001. It is the region of security concerns as they provide bases for international terrorist group activities as well as the stages of state-to-state and within the state confrontations.

Considering these factors, the "Broad SLOC" connecting the Indian Ocean and the Pacific Ocean should be recognized as the major artery in economy and security to run through the "Arc of inseparability," rather than the "Arc of instability." In other words, they create the inseparable and integrated region where coordination and cooperation efforts connect the Asia Pacific region and Indian Ocean region.

India has multiple ethnic groups, religions, languages and cultures in the country, but it has an administration elected through free and fair elections under the multi-party system and is the world's largest democratic country. Also, India shares a lot with major developed countries including Japan or the US in terms of fundamental values and systems, such as liberalism, democracy and a market economy.

b. US-India relationship

India is actively striving to strengthening bilateral relations with the US, while the US is also promoting the expansion of its involvement in India in line with the economic growth of India, thus this leading to increasingly stronger interactive relationship in various fields.

The US-India joint declaration, which was made when then Indian Prime Minister Vajpayee visited the US in November 2001, confined the qualitative improvement should be made for future bilateral relations. In January 2004, the two countries announced that they had agreed to expand cooperation in the following three areas; (i) civil nuclear activities, (ii) space program, and (iii) high-technology trade, aiming to form strategic partnership between the two countries.

In July 2005, Indian Prime Minister Singh visited the US and made a joint statement with then US president Bush that the relationship between the two countries would transform into a global partnership, through which they will cooperate in the field of space exploration, nuclear energy for civilian applications, and military and non-military technologies. Subsequently in March 2006, President Bush, in turn, visited India for the first time in six years as a president of the US, and agreed with Prime Minister Singh to strategically strengthen bilateral relations. Further, Secretary of State Clinton visited India in July 2009, and Prime Minister Singh made an official visit to the US in November of the same year, announcing with the President Obama a joint statement reconfirming the global strategic partnership between the two countries and promoting sincerity and anti-terrorism measures on a global scale. In July 2010, Foreign Minister Krishna visited the US, making the first US-India strategic dialogue with Secretary of State Clinton and agreeing to enhance anti-terrorism collaboration. President Obama also made an official visit to India in November 2010 to meet with Prime Minister Singh.

In the security field, in July 2005, then Indian Defense Minister Mukherjee and then US Defense Secretary Rumsfeld signed a 10-year military agreement, called the New Framework for the US-India Defense Relationship, based on the recognition that the US-India defense relationship is an important pillar in the mutually beneficial relations between the two

countries, which are changing over time. In March 2006, the US Department of Defense announced its intention to enhance cooperation with India in security issues, including maritime security. Secretary of Defense Gates visited India in January 2010, following his visit to the country in February 2008, for talks with Prime Minister Singh and Defense Minister Antony to discuss antiterrorism measures, the problem of Afghanistan and overall regional security.

India and the US carried out active military exchanges, including joint exercises. The “Malabar 09” mini-lateral joint naval exercises were carried out with additional participation from Japan off the coast of Okinawa during April and May of 2009. The “Yudh Abhyas 2009” joint army exercises were carried out in India in October 2010 with participation by Striker wheeled armored personnel carriers from the US to train Indian soldiers for anti-terrorism operations. “Habu Nag” joint amphibious exercises were conducted in East China Sea from September to October in 2010, and “Malabar 11” joint naval exercises were held in April 2011.

India has expressed an interest in US weapons. India has already purchased a used amphibious ship and C-130 transport aircraft from the US, and signed an agreement to purchase P-8 patrol aircraft and C-17 transport aircraft in 2009 and in November 2010, respectively.

c. India-Japan relationship

In regards to the India-Japan security relation, Japan’s then Prime Minister Abe and India’s Prime Minister Singh held the Japan-India Summit in August 2007 and announced the joint communiqué, in which both countries agreed on many issues concerning politics, security, economy, and mutual exchanges of people as well as common measures to address regional and international issues and declared the roadmap to develop strategic global partnerships of an entirely new dimension. Both prime ministers also signed on another joint communiqué for environmental and energy issues. Furthermore, they agreed on the recognition that “strong India is Japan’s benefits, and strong Japan is India’s benefits.” The Japan side welcomed the emergence of India as a major power, and emphasized the posture to provide support for India’s further economic development, and to promote more mutual exchange efforts in every level.

Moreover, then Prime Minister Abe stated that Japan and India should address, in cooperation with other countries, the measures to ensure the security of SLOCs as two major maritime powers and democratic countries that share basic values and interests. In his speech of “the exchange between two oceans” delivered at the Indian parliament, he reflected upon the long history of ties between Japan and India, and stated that the newly emerging “expanded Asia” to integrate the East and the South Asia through the exchange between “two great oceans” of Pacific and Indian Ocean can grow into an open and transparent network that covers the entire Pacific Ocean region including the US and Australia.

In October 2008, Prime Minister Singh visited Japan and signed the Joint Declaration on Security Cooperation between India and Japan (Joint Declaration) with then Prime Minister Aso, which is similar to the Joint Declarations with the US and Australia. For Japan, this is the third country with whom a joint declaration has been signed in the area of security, after the US and Australia. The Joint Declaration specifies that cooperation will be conducted by two defense authorities by ways of, defense summit meetings, defense-policy dialogues, military-military talks and service to service exchanges of dialogue and joint exercises. The Joint Declaration serves as a guideline for future cooperation in security areas

between two countries.

Furthermore, in December 2011, when Prime Minister Noda visited India, he agreed to further efforts to reinforce the Strategic Global Partnership between Japan and India, which in 2012 are celebrating the 60th anniversary of the establishment of diplomatic relations between the two countries, as well as strengthening cooperation in the field of maritime security, in regard to the political and security-related aspects. These outcomes were issued as the Japan-India Joint Statement.

Both Japan and India have shared the view to promote cooperation in non-traditional security areas such as counter-terrorism, peacekeeping and peacebuilding, and disaster relief. With the interest of strengthening concrete cooperation in the field of maritime security in particular, the two sides held the first Japan-India Maritime Security Dialogue in October 2009. In December 2009, two countries formulated the Action Plan to promote security cooperation between Japan and India. The Action Plan includes items for the actual promotion of cooperation in maritime security such as cooperation in anti-piracy activities and the holding of joint exercises at sea. In addition, the first Administrative Vice-Ministerial "2+2" Dialogue was held in July 2010, based on the Action Plan, as was the second Subcabinet Defense Policy Dialogue.

Then in May 2011, the eighth Japan-India Security Dialogue and the seventh Japan-India Military-Military (MM) talks were held, during which topics were discussed including measures to further develop security cooperation between Japan and India. Moreover, in June 2012, the first joint naval exercise was carried out between Indian navy and JMSDF in Sagami Bay, in accordance with the Joint Statement between Singh and Noda in 2011.

d. Japan-US-India Mini-lateral Maritime Partnership

The India-Japan bilateral Joint Statement in December 2011 also stressed to launch the Japan-India-US mini-lateral security coordination for deepening the Strategic Global Partnership among three countries. As we've seen, "mini-lateral" cooperation among Japan, India and the US has been gradually and steadily developing. In the security field, three countries have attempted to nurture trust among them by steadily increasing the number of bilateral military exercises between Japan and India, and India and the US. In September 2007, three countries of Japan, India and the US undertook multi-lateral naval joint exercises "Malabar 07" at the Bay of Bengal, with other regional sensible maritime powers of Australia and Singapore. Further in April 2009, three countries undertook the mini-lateral naval joint exercises "Malabar 09."

Hence, in fact, we can look Japan-US-India relationship is likely to become a "Mini-lateral Maritime Partnership."

(4) Relationship between Australia and India

The Australia-India relationship has been somewhat shaken in terms of the security issues, especially around the distancing from China. Both Australia and India have gradually developed and reinforced their relationships in security and national defense, and at the Summit Meeting between Prime Minister Howard of Australia then, and Prime Minister Singh of India in March 2006, both leaders signed the Memorandum on the framework for broad defense cooperation.

Under the Rudd administration, however, Australia has inclined to reinforce relationships with China, which seems to put a brake on the development of defense

cooperation relationship between Australia and India despite the expectation to promote it under the said framework. For example, at the China-Australia foreign ministerial meeting held in Canberra in February 2008, Australian Foreign Minister Smith stated that "as China expressed serious concern over the India's involvement in the strategic dialogue, Australia does not intend to implement such dialogue."

In view of this, it is not likely that the security cooperation mechanism among Australia with India can be realized in the near future. However, this does not necessarily prohibit efforts in promoting the establishment of mini-lateral security cooperation relationships among Japan-US-Australia and Japan-US-India, or developing broader cooperative relationships in this field. In fact, India hosted the Indian Ocean Naval Symposium (IONS) for the first time in February 2008, and Australian Navy accepted the invitation along with Egyptian and Sri Lanka Navies.

And at last, the Joint Declaration on Security Cooperation between Australia and India was made during then Prime Minister Rudd's visit to New Delhi in November 2009. For both Australia and India, this Joint Declaration would be a notable step in the process of developing a closer security relationship. Further, some grant it wider significance, seeing it as plugging a "missing link" in a web of bilateral security agreements connecting Australia with India, plus the US and Japan—the four members of so-called quadrilateral security forum that was proposed and then quickly abandoned in 2007. With the Australia-India Declaration all four members of the putative "Quad" now have bilateral or mini-lateral security arrangements with each other, facilitating the further development of their relationships.

3. Maritime Security Coalition

The "Mini-lateral Maritime Semi-Alliance" of Japan-US-Australia, should be a voluntary "Maritime Security Coalition" covering the "North-South Expanded Asia" in the Asia-Pacific, Oceania, and South Pacific. While the "Mini-lateral Maritime Partnership" of Japan-US-India should take responsibilities as the core responsible parties of a voluntary "Maritime Security Coalition" covering the broad seas of the "East-West Expanded Asia" in the Indian Ocean and Asia Pacific region. In the future, such coalitions should become a core of the "seamless and unified broader voluntary maritime security coalition" to cover "Broad SLOC" of the whole regions, and ultimately to become a core of the "global voluntary maritime security coalition."

(1) Maritime Security Coalition

Here the "Maritime Security Coalition" is defined as the "broader regional nation-to-nation coalition with the objective to maintain and secure safe and free use of oceans from the peace time to emergency and war situation." This kind of coalition does not necessarily require the entry into force of an international agreement, treaty or convention, but can be a multi-national network (web) based on mutual confidence with common concepts.

Therefore, it is basically possible to enter into relationship of "coalition" with any coastal countries as long as they can share the common objectives. In building such global or broader regional maritime coalition, each member nation is required to take a responsible role proportionate to the features of the nation or the region. How to take responsibility may differ from a country to a country, and each country can decide on what they can contribute within their intention and capabilities.

One precondition for accession to such Maritime Security Coalition will be whether

a nation can share three basic Marine Interests with other countries. Those are, in the maritime domain: (i) to cooperate in maintaining the security of the region from peace time as well as in emergency or crisis (co-existence); (ii) to cooperate and to prosper together in the commerce and trades as well as marine resource development (co-prosperity), and (iii) to sincerely pursue the conservation and development of various benefits which the seas can provide in terms of marine environment protection and marine resource control (co-value).

In short, the basic requirement to join the coalition is that “a nation has no severe dispute over marine interests or territories, economic conflicts, or objections toward environmental conservation or the development of marine resources.” Even if there is a seed of dispute, to build a coalition among nations that allow fair and democratic way of solving disputes is essential for maintaining the coalition. More importantly, the coalition needs to be built on the action principle of each participant as “public goods,” which is based on the common sense of democracy.

(2) “Responsible Stakeholders” for Maritime Security Coalition

Each Japan, the US, Australia and India holds very positive and eager will to be a “Responsible Stakeholder” for “Maritime Security Coalition” in the region.

For Japan, the National Defense Program Guideline (NDPG) revised in December 2010 defines the basic security principles from the standpoint of clarifying the most basic items for national security of Japan. Specifically, the following three items are presented: (i) the prevention and elimination of potential threats to Japan and the minimization of the damages thereof; (ii) the further stabilization of the security environment of the Asia-Pacific region and the prevention of the occurrence of threats through the improvement of the global security environment; and (iii) contribution to world peace and stability and establishing security for people. To achieve these goals, Japan is committed to make efforts, cooperate with its allies, and promotes multi-layered security cooperation in the regional and international community in a comprehensive manner.

Given these principles, it is necessary that Japan’s future defense force acquire dynamism to proactively perform various types of operations in order to effectively fulfill the given roles of the defense force without basing on the “Basic Defense Force Concept” that place priority on “the existence of the defense force.” To this end, the 2010 NDPG calls for the development of “Dynamic Defense Force” that has readiness, mobility, flexibility, sustainability, and versatility, and is reinforced by advanced technology based on the latest trends in the levels of military technology and intelligence capabilities. The concept of this “Dynamic Defense Force” focuses on fulfilling the roles of the defense force through SDF operations.

Based on this Guideline, JMSDF is currently striding toward advanced combination, collaboration, cooperation, and association with other regional sensible maritime powers, such as the US, Australia and India, taking into accounts the security of SLOCs, while developing the strategy, promoting the defense build-up for JMSDF.

For the US, the Obama administration that was formed in 2009 has already announced its national security and defense policies by releasing documents such as the National Security Strategy (NSS) or the QDR.

In January 2012, the Obama administration released a new defense strategic guidance. Based on the understanding that the US is at an inflection point due to factors both outside and inside the country, that is, the US forces’ drawing down from Iraq and Afghanistan after a decade of war, and the demand for deep cuts in the government spending

including defense spending under the serious fiscal circumstances of the government, the guidance was released to review the defense priorities and show a blueprint for the Joint Force in 2020.

The defense strategic guidance indicates that the US seeks the security of the nation, allies and partners; the prosperity that flows from an open and free international economic system; and a just and sustainable international order where the rights and responsibilities of nations and peoples are upheld. It also states that future US forces will be smaller and leaner, but will be agile, flexible, ready, and technologically advanced, and that it will have global presence emphasizing the Asia-Pacific and the Middle East, while still ensuring the ability to maintain its commitment to Europe, and strengthening alliances and partnerships across all regions.

Thus, the defense strategic guidance indicates that US forces' presence abroad reinforces deterrence, helps to build the capacity and competence of the US, allied, and partner forces, strengthens alliance cohesion, and increases the US influence.

For Australia, in May 2009, it released the defense white paper titled "Defending Australia in the Asia Pacific Century: Force 2030" for the first time in nine years since 2000, which presented national defense policies for the period to 2030 based on a strategic outlook for the future. The white paper states that Australia has strategic interests in (i) the defense of Australia against direct armed attack; (ii) the security, stability and cohesion of the immediate neighborhood, which Australia shares with Indonesia, New Zealand, and other countries; (iii) the stability of the wider Asia-Pacific region, which stretches from North Asia to the Eastern Indian Ocean; and (iv) preserving an international order that restrains aggression by states against each other, and can effectively manage other risks and threats, such as the proliferation of WMD, terrorism, state fragility and failure, intra-state conflict, and the security impacts of climate change and resource scarcity.

This defense policy means that Australia must have the military capacity to; (i) act independently where Australia has unique strategic interests at stake, and in the case it would not wish to be reliant on the combat forces of any foreign power; (ii) lead military coalitions where Australia has shared strategic interests at stake with others, and in relation to which it would be willing to accept a leadership role; and (iii) make appropriate contributions to military coalitions where Australia shares wider strategic interests with others and is willing to accept a share of the burden in securing those interests.

Currently, Australian maritime patrol aircraft, transport aircraft, and a frigate are operating in the Middle East region. Since May 2009, in addition to their anti-terrorism mission, the patrol aircraft and frigate are on the mission of responding to piracy.

For India, in an environment of evolving security challenges, which include non-traditional and asymmetric threats, India pursues a robust and autonomous security strategy which involves strengthening of her own defense capabilities. India also shows its interests in involving in cooperating with regional and international efforts towards promotion of peace and stability.

In fact, India participates in 10 United Nations Peacekeeping Operations (PKO), with approximately 8,100 personnel as of May 2012. India has been sending naval vessels off the coast of Somalia and Gulf of Aden to conduct coast guard surveillance operations against piracy since October 2008.

The Annual Report of the Ministry of Defense of India published in May 2011 indicates that the security situation in East Asia underlines the need for initiatives for building trust and confidence in the region and that the establishment of ASEAN Defense Ministers

Meeting (ADMM) Plus forum of ten ASEAN and eight non-ASEAN countries, including India, is seen as an effort to establish an open and inclusive security architecture for the region. Furthermore, India's policy is to encourage and participate in cooperative approaches to ensure that the critical SLOCs in the region are kept open, secure and free for navigation and defense aircraft.

(3) Broad Maritime Security Coalition

In consideration of the above, it will be the best to create a coalition among the US allied or partners (in other words, among sensible maritime countries that share the same three indicators of co-existence, co-prosperity, and co-value), then add the regional sensible maritime powers that can fulfill these three indicator conditions and the action principle as "public goods", and eventually expand to include other nations.

First of all, it is urgently needed to develop voluntary "Maritime Security Coalition", inviting regional sensible maritime powers, centered around the "Mini-lateral Maritime Semi-alliance" of Japan-US-Australia which is taking a role to secure vast SLOCs through the "North-South Expanded Asia" extending from the Northeast and the Southeast Asia, and the Western Pacific to Oceania, as well as the "Mini-lateral Maritime Partnership" of Japan-US-India to ensure the security of the lengthy SLOCs through the "East-West Expanded Asia" extending from the South of Suez Canal (or East of Cape of Hope) to Southeast and Northeast Asia, since these SLOCs are the most important and occasionally vulnerable among "Broad SLOC." Under this fundamental structure, if other sensible maritime powers, such as Singapore, are to join this coalition, it will boost the creation of the voluntary "Broad Maritime Security Coalition."

It may be true that the obvious security collaboration between some stakeholder countries is said to be unlikely for a moment. But it will not be difficult for such stakeholder countries to make efforts for the security of SLOC in each relevant region, through certain "Maritime Security Coalition" such as the one among Japan-US-Australia and Japan-India-US, with a view to unify and develop more regional wide "Broad Maritime Security Coalition" in the "Broad SLOC" sometime in the future. For instance, Taiwan as one of the responsible stakeholders for regional maritime security, could provide effective maritime security efforts around Taiwan including Bashi straight implicitly or explicitly, so that join de facto members of the "Broad Maritime Security Coalition."

For the "Broad Maritime Security Coalition", it is important to build global coalition with other global sensible maritime powers. It is certainly possible to build a "Global Maritime Security Coalition" that is founded on freedom and democracy, and shares common indices of "co-existence", "co-prosperity", and "co-value", mainly by voluntary coalition centered around the US in the regions adjacent to broadly unified SLOCs, such as the coalition with Canada in East Pacific, Turkey, France and Italy in the Mediterranean Sea, the UK in the North Atlantic Ocean, Germany and others in the European seas, and Russia and others in the Arctic Sea.

In case of Japan, the initiative of the "Broad Maritime Security Coalition" coincides with the "Arc of Freedom and Prosperity" proposed by the then Foreign Minister Aso, and the "coalition of nations based on common values" stated by the then Prime Minister Abe.

(4) Challenge of Maritime Security Cooperation in the SLOCs near Disputed Area

Finally, one important and challenging element of the "Broad" or "Global" Maritime Security Coalition is how to assure the security of SLOCs especially at the converging points

of SLOCs on the coasts, even if a coalition can be formed in and covered the area as discussed above, for the most part. As these regions are the stages of historic confrontations over territories and marine interests of coastal nations, as demonstrated in the relationships between Japan, China, Taiwan, ROK, ASEAN members and Russia, and the national interests of relevant countries intertwined, it will be difficult task to form a cooperative system.

For example, it will not be so easy to build coalition system in the North East Asia and South East Asia due to their coastal SLOCs involving many seeds of confrontations. In the Arctic Ocean, recently Russia has unilaterally declared their interests in the Arctic area motivated by the abundant marine bottom resources there as well as the increased possibility of year-round navigation due to the progress of the global warming. In the East China Sea and South China Sea, China has coerced and aggressively advanced toward oceans, which has led to the rise of confrontations over territories and marine interests such as sea-bottom resources with other sensible maritime countries in the region, including Japan or ASEAN members. For Japan, the US, Australia and India, the coordination with three coastal countries of Indonesia, Malaysia and Singapore at the coasts of Malacca-Singapore Strait will be the most important one of all.

In addition, there are other areas that have similar and complicated problems, such as the Persian Gulf, Arabian Peninsula and its coasts, where remains religious confrontations centered on Islam, conflicts over oil rights and concessions, and the hot-bed of international terrorism or piracy, and East African coasts as well as Eastern Mediterranean Seas. However, it is possible to develop the opportunities to resolve the issues in the future, if we are to aim for the regional "Maritime Security Coalition" among relevant coastal countries. As described before, the joint action among relevant countries can be relatively easy to develop, if the focus is narrowed to the "assurance of maritime order" to respond against international terrorism or piracy.

Conclusion

The "Mini-lateral Maritime Semi-alliance" of Japan-US-Australia and the "Mini-lateral Maritime Partnership" of Japan-US-India must exert every effort to build further strong cooperation to ensure the security of lengthy and vast SLOCs in the "North-South Expanded Asia" and the "East-West Expanded Asia", and further aiming much broader regions, eventually. For this, it is urgently needed to develop voluntary "Maritime Security Coalition" led by three countries of India, the US and Japan to secure SLOCs of the Indian Ocean and Asia-Pacific region, as well as another three countries of Australia, the US and Japan to secure SLOCs of Oceania and the Asia Pacific region. If other sensible maritime powers of the region, such as Singapore, are to accede to such coalitions, then it can further promote the efforts to create broader voluntary "Maritime Security Coalition."

For the moment, voluntary mini-lateral "Maritime Security Coalitions", such as those of Japan-US-Australia and Japan-US-India can ensure the security of SLOCs, and in the future, opportunities may arise to develop broader voluntary "Maritime Security Coalition" through the efforts of relevant countries to unify voluntary coalitions.

Ultimately, there should be a "Global Maritime Security Coalition", which involves sensible maritime powers of adjacent regions, such as Canada, Turkey, Middle-East countries and European countries with the US as the center, gathering these sensible maritime powers of the world. Japan, the US, India and Australia can become the core actors of this regional maritime security coalition and take the responsibilities depending on each national power and national situation.

Nonetheless, it is necessary to take every opportunity and every channel of diplomacy and defense connecting regional countries, such as direct intergovernmental dialogues to realize all of the above.

Moreover, it is also important to continue the existing regional security talks such as ARF, EAS, existing naval dialogue framework such as International Sea Power Symposium (ISS), Western Pacific Naval Symposium (WPNS) and IONS or forum of many joint dialogues between global and regional private and public sectors such as those involving major security or maritime security think-tank institutes, while each government is to actively use the outcome of these forum, and makes efforts, at every possible opportunity, to develop mutual confidence between the navies or other maritime forces of regional coastal countries.

Several New Outstanding Environmental and Energy Issues in the South China Sea for Regional Cooperative Academic Research

幾個重要並適於區域合作研究的南海環境與能源新議題

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'When the elephants dance, the chickens must be careful.' --Tess Uriza Holthe, 2003

Abstract

Under the threats of overfishing, global warming, energy shortage, and large-scale earthquakes, several new, yet, important environmental and resources issues need the immediate attentions of all the surrounding countries of the South China Sea. Three outstanding topics of common interests are identified: (1) Tsunami Early Warning Network, (2) gas hydrates, and (3) geological carbon sequestration and storage.

Those issues cannot be managed comprehensively by any single country because they are large-scale phenomena crossing national territories, demanding big monetary input and emerging new techniques, although many individual scientists, academic associations and international organizations have initiated and conducted researches on those topics at various scales. An overview of the current status of these three topics pertinent to the South China Sea is presented in this report.

"All for one, one for all" should be the spirit for all the surrounding countries in the South China Sea in dealing with these topics. After all, if elephant dances (be it tsunami, energy shortage, global warming or war), all the chickens are in trouble. Advance in these cooperative research topics will not only benefit all the countries around the South China Sea, but also be helpful in enhancing human sustainability, and therefore, world peace.

Introduction

In her account of the World War II in the Far East, American-Filipino novelist Tess Uriza Holthe describes:

"Papa explains the war like this: 'When the elephants dance, the chickens must be careful.' The great beasts, as they circle one another, shaking the trees and trumpeting loudly, are the Amerikanos and the Japanese as they fight. And our Philippine Islands? We are the small chickens."

In this novel entitled "**When the Elephants Dance**", during the waning days of World War II, as the Japanese and the Americans engaged in a fierce battle for possession of the Philippine Islands, the Karangalan family and their neighbors huddle for survival in the cellar of a house a few miles outside of Manila. They put their hopes and dreams on hold, waiting for the day out the war, emerging to look for food, water and medicine. And after all, their peaceful life back.

This old Papa's statement can be so illuminating for today's situation in the South China Sea. Although not in a war, all the surrounding countries are caught in the dispute of territory and exclusive economic zone argument and standstills. Some political bodies might well become proxies of other super powers that have their special interests in the South China Sea. Yet, super natural powers, which are larger than any existing political or weaponry powers, are out there, waiting to strike. Namely, huge tsunami hit, energy shortage, extreme weather events and global warming, are emerging to be big outstanding issues threatening not only the sustainability of people in and around the south China Sea, but also affecting well-beings of all 6.6 billion peoples on the planet Earth.

When the elephants dance, the chickens must be careful', says the old wise man, be the elephants super political or natural powers. This paper identifies and describes briefly the states-of-art as well as the *status quo* of three outstanding topics in the South China Sea: (1) Tsunami Early Warning Network, (2) gas hydrates, and (3) geological carbon sequestration and storage. Those topics are either involving with large-scale phenomena transcending national boundaries, or demand big monetary input and new emerging knowledge and technologies that cannot be managed comprehensively by any single country.

I. Establishing a Tsunami Early Warning Network

Tsunami is one of the most devastating natural coastal disasters. In most cases, tsunamis are generated by submarine earthquakes associated with subduction system. Submarine landslide, volcanic eruption can also cause tsunami, but the impact is

generally smaller in terms of scale and geographic area. The 2004 Sumatra-Andaman tsunami was the most devastating one in the recent years. It happened on the 26th December 2004, hitting wide area of coastal communities on the rim of the Indian Ocean, killing more than 225,000 people in seven countries and displacing over a million people.

The action took place jointly by Germany scientists, Germany Government and Indonesian Government sets a good example to show how such kind of catastrophe can be mitigated through international cooperation. Just a few days after the catastrophe, a group of Germany scientist started draft a plan to build a tsunami early warning system for the region, and it was approved by the former German Chancellor Gerhard Schroder on 13 January 2005. The first response of the Indonesian government was skeptical, but, eventually, by 14 March 2005 a Joint Declaration, a kind of installation roadmap plan between Germany and Indonesia, was signed and the German Indonesian Tsunami Early Warning System (GITEWS) Project was started. It took another 2 years to set up sensor network consisting of seismic-, GPS-, tide gauge stations and buoy-systems (for registering abrupt sea level change), just in time to demonstrate its effectiveness to evaluate the seismic parameters of the Bengkulu quake (Mw ~9) sequence at 12-13 September 2007. The BMKG (Badan Meterologi, Klimatologi dan Geofiska) issued and disseminated the first tsunami alert in less than 5 minutes after the main shock. The early warning system was officially inaugurated by the Indonesian president on 11 November 2008. Now, the surrounding countries of the north Indian Ocean can share the benefit brought about by the system (Rudloff et al., 2009).

Situating on the junction of major lithospheric plates, Taiwan is experiencing earthquakes every day. Big-scale earthquakes caused by plate subduction are potentially dangerous because they can trigger tsunamis, devastating coastal zones afar. They are three such subduction systems in the East Asia capable of generating hazardous tsunamis: the Manila subduction zone, Ryukyu subduction zone and North Sulawesi subduction zone. Among them, the Manila subduction zone can significant impacts on the surrounding countries of the South China Sea, including Taiwan. The Ryukyu subduction zone created many earthquakes felt by Taiwan, poses also tsunami threats to the north and east sides of Taiwan. Transoceanic tsunami triggered by this subduction zone could have impact on Hawaii and Americas.

The Manila Trench, where the Eurasian Plate subducts under the Philippine Sea Plate at a speed of 70 mm/year (Lin, 2000). Megawati et al (2009) suggested that the seismic motion associated with megathrusts under the Manila Trench has accumulated

strain over the past 440 years or more, and could be a source of a giant earthquake of Mw ~9. Simulation results indicate that this megathrust could generate tsunami for the Philippines, southern China, Vietnam and other population clusters bordering the South China Sea. The Manila Trench is only about 110 km away from southern Taiwan. An earthquake of magnitude of 9.5 (the worst case) could generate the maximum wave height of 11 m and reach 8.5 km inland-ward in the southern Taiwan. Through refraction, this hypothetical earthquake can still cause 8 m wave height in the northeast coast of Taiwan (Wu and Huang, 2009).

To set up a tsunami early warning system is never an easy scientific job. When the problems are related to territory and administration, the scientific challenge becomes a political one. For instance, a large, multinational warning system often need to map affected or threatened areas to their administrative units in order to establish a spatial reference that is comprehensive to all involved parties. Geocode standards must be established in an international context (Lendholt et al., 2012). The existing system is insufficient. Revised new standards that meet the requirements of worldwide coverage, completeness and topicality, are under construction following the requirements of several international organizations such as the UNESCO (United Nations Educational, Scientific and Cultural Organization and the RTWPs (Intergovernmental Oceanic Commission for Regional Tsunami Watch Providers.

II. Study of gas hydrates

Gas hydrates are solid, ice-like crystalline compounds formed by water molecules and natural gases under specific low temperature and high pressure conditions. For its ice-like looking, gas hydrate has a nick name – burnable ice. The major component of the gases is methane, regarded a clean energy compared to other conventional fossil fuels. Gas hydrate reservoirs have good potentials as an alternative energy resource for the 21st century and beyond (Boswell and Saeki, 2010). In fact, methane hydrates are the most abundant from of hydrocarbon on our planet, amounting to twice that of Earth's other hydrocarbon combined (Sloan and Koh, 2008). On the other hand, methane is a strong greenhouse gas and a significant contributor to past climate change (Kennett et al., 2003; Archer and Buffett, 2005); dissociation of gas hydrate in underneath seafloor of continental slope can cause large-scale subsidence, slumps and slides (Paull et al., 2002). Because of their duality of being a potential future hydrocarbon energy resource and a trigger of geo-hazards as well as a potent agent for global warming, gas hydrates have attracted massive scientific research interests and political concerns in the past two decades.

Ever since the first suspected occurrence of gas hydrate in the Blake Outer Ridge during the Deep Sea Drilling Project (DSDP) Leg 11 was reported (Lancelot and Ewing, 1972), strong interest in marine gas hydrates has grown in many countries and international industries. Over the past several decades, detection of gas hydrate in marine sediments has been mainly made through seismic observation in recognizing bottom-simulating reflector (BSR). But, more recent studies have shown that there can be a disconnect between the actual gas hydrate accumulation and the observations of regional BSRs (Collett et al., 2008; Frye et al., 2010; Riedel et al., 2006; Tsuji et al., 2009). Such waving red flag demands direct observation or recovery of gas hydrate via oceanic drilling as a necessary step for further resource assessment.

As the biggest marginal sea in the Pacific, with a vast continental slope area of more than 1 million km², the South China Sea is viewed by many experts as a high potential gas hydrate region in the world. So far only systematic investigation of gas hydrates in the SCS has been conducted by Taiwanese and Chinese scientific teams. However, this does mean that there is lack of interest or understanding of gas hydrate in other surrounding countries. For example, a scientist from the Vietnamese Academy of Science and Technology published a comprehensive study on the potential of gas hydrate in the whole South China Sea in 2012 (Trung, 2012). He uses basic data of water depth, bottom water temperature, geothermal gradient and geological and geochemical information to make estimation of the thickness of the possible gas hydrate stability zone and volume of gas hydrate in the SCS. In his estimation, the volume of methane gas is up to 10¹⁴ m³ while the maximum thickness area of the GHSZ is in the water depths ranging from 1200 to 2300 m.

In viewing the great potential of gas hydrate in our economic exclusive zone, the Central Geological Survey had conducted two phases of gas hydrate investigation since 2004, and Year 2012 marks the first year of the third phase. The main study area has been the continental slope off southwest Taiwan (~21°30' N - 22° 45'N, 119° E - 120° 30'E). A total of 46% of the seismic profiles in the investigated area shows BSR, indicative of the existence of gas hydrate and its depth defines the base of the GHSZ (Liu, 2007, in Chinese). The most favorable depth underneath the sea-floor for the GHSZ would be 304-347 m in this area (Shyu et al., 2006). Most of the studies so far are geophysical survey, direct sea-floor observation and sampling, biota associated with gas seepage and laboratory synthesis. The major results of the early phase were published in a special volume (TAO, vol. 17 (4), 2006).

Using volumetric estimate method, the gas hydrate resource off western Taiwan was estimated to contain $\sim 29 \times 10^{11} \text{ m}^3$ methane, among them about 67% is in the accretional wedge setting in the immediately adjacent area to Taiwan while the rest is in the passive continental margin setting (Andrew T. Lin, 2011, personal communication).

Chinese scientists began their geological survey since 1999 and identified BSR in several basins in the northern South China Sea, including Xisha Trough (西沙凹陷), Qiongdongnan Basin (琼东南盆地), Taixinan Basin (台西南盆地) and Pearl River Mouth Basin (珠江口盆地). More recently, BSRs were also recognized from the Nansha (南沙) area of the southern SCS (Liu et al., 2011). The most conspicuous finding is their discovery of gas hydrate in three drilling sites in the Shenhu (神狐) area of the Pearl River Mouth Basin in 2007, and the occurrences of gas hydrate are in layers ranging from 10 to 25 m above the GHSZ (Wang et al., 2011).

Natural gas hydrate deposits have been characterized into 4 classes by their well reservoir accumulations (Moridis and Collett, 2003; Koh et al., 2012). Each class can be categorized into subclasses according to their boundary units, for instance, confined or unconfined (Boswell et al., 2011).

- Class 1 are accumulates at the base of gas hydrate stability zone (GHSZ) with the hydrate-bearing layer (HBL) associated with free gas.
- Class 2 deposits are at the base, or within, the GHSZ, and comprise a hydrate-saturated interval above a free water zone.
- Class 3 reservoirs are fully saturated with gas hydrate without contact with free water or free gas layers.
- Class 4 deposits comprise low gas hydrate saturations ($\sim 5\% - 20\%$) and have low intrinsic permeability.

Gas hydrate deposits can be characterized into four major types according to the properties of host sediments (Boswell et al., 2011):

- Type C: Hydrates deposits in silt and sand-rich host sediments. Porosity is usually high, in the range of 30-45%, when gas hydrate is absent. This type of deposit is most relevant to the existing technology in energy recovery. Conventionally this type is considered to be formed in the permafrost settings, but recent findings show also their existence in marine settings, such as in

Nankai Trough off Japan (Fujii et al., 2009; Boswell et al., 2010) and in Gulf of Mexico (Boswell et al., 2010).

- Type F: Hydrates deposits in clay-rich host sediments. Porosity can be high, in the range of 50-70%, when gas hydrate is absent. Permeability is low, especially when the deposit is deep. Two sub-types were identified: Pore-filling in undisrupted sediments and grain-displacing in disrupted, deformed sediments. The grain-displacing type has been found recently in Ulleung Basin in Korea (Ryu et al., 2010) and Krishna-Godavari offshore East Coast of India (Ryu et al., 2010). This type of deposit may have energy resource potential contingent upon technology development.
- Type M: Massive hydrate mounds associated cold seeps in very shallow sediments or outcrop on the sea floor (Collett et al., 2009).
- Type R: Unique hydrate deposits within consolidated host sediments, e.g., deposit in Qilian Mountains of Tibet (Lu et al., 2010).

Research of gas hydrate is not limited to energy resource assessment and exploitation. Methane, the dominant composition of gas hydrate, is 20 times more potent than carbon dioxide as a greenhouse gas, and its massive release to atmosphere can profoundly affect Earth's climate. The contribution of gas hydrate dissociation to the global atmospheric methane reservoir is still under debate (Kennett et al., 2003 and critics followed), and the sensitivity of methane to climate changes and current warming trend remains to be an outstanding unknown. Secondly, gas hydrates in marine sediments can have a significant impact on the mechanical strength of the hosting sediments. One key concern is geo-technical issues related to natural gas production. Equipment such as wellbores, platforms and flow-lines, sits on hydrate-bearing sediments can affect the stability of the mechanical strength the sediments. When warm fluids are transmitted through un-insulated pipes, the heat could trigger dissociation of methane caged in the hydrates and cause sediment slumping and slope failure.

III. Carbon sequestration and storage.

The use of fossil fuels over the world and the resultant CO₂ emission has been blamed for a major cause of global warming. The Intergovernmental Panel on Climate Change (IPCC) has identified geological sequestration as one of several options that

can lessen the effects of climate change in the future. The basic concept is that the CO₂ emitted from combustion of coal and petroleum can be captured and injected back into geological reservoirs where it is immobilized by natural processes. Various kinds of reservoirs have been evaluated, such as deep saline aquifers, depleted oil and gas fields, coal-bearing formations and deep ocean. The geologic storage system can be categorized into four types: structure/stratigraphic, hydrodynamic, and geochemical trappings (IPCC, 2005).

The IEA (2009) statistics shows that in 2009 the total green-house gas emission in Taiwan amounted to 0.258 Gt, and the per-capita emission is 11.6 tons, ranked No. 17 world wide. As a mitigation measure, Taiwan government has launched a national Taiwan CO₂ Reduction Project (TCRP) to develop technologies for CO₂ capture, reuse and storage.

How to deal with the increasing green-house gas emission trend? The case of Tai-Power sets a good example of Taiwan's effort. The CO₂ generated from the nine coal-fired plants of Tai-Power in Taiwan reached 85 Mt per year (Yu et al., 2011). Furthermore, among the nine plants, the Tai-Chung Plant is notoriously ranked as world No. 1 in terms of CO₂ emission from a single plant by Carbon Monitoring for Action of Center for Global Development (CARMA, 2007).

On account of the economy factors, safety, storage effectiveness and potential storage capacity volume, a total of 10 candidate sites were evaluated. They are all reservoir-trap-seal systems, belonging to two basic types: (1) reservoir of deep saline aquifer, and (2) reservoir with anticline structure. Six of the sites are oil- or gas-bearing structures on-shore or off-shore of Taiwan. Four of them contain deep aquifer, in near-shore sedimentary basin. The screening processes, including, basic geologic and geophysical survey, 3-D model geologic and hydrological constructions, involves many expertise. Factors besides science and engineering were also considered, such as transportation cost, environmental safety and political issues.

A deep saline aquifer in the sub-depth of 2500-3000 m down under a Miocene basin straddling the coastal area of central Taiwan has been selected as a pilot target site. The injected CO₂ is supposedly to migrate through the deep saline aquifer as a separate phase on the top until it is trapped in pore spaces in local stratigraphic or structural traps. In the long run, the CO₂ will dissolve into the formation brine (Allen et al., 2005). The target formation rises towards the off-shore direction, consequently, the injected CO₂ would migrate upwardly and stored beneath the sea

floor. Such kind of subsea underground carbon storage would get the most favorable public acceptance in comparison with other in-land sites. The storage capacity was estimated to be 4 Gt- CO₂ (Yu et al., 2011) although the viability awaits further detailed investigation and validation. Carbon storage may become reality in the year of 2014 in Taiwan.

If the CO₂ geological sequestration (GS) can be coupled with enhanced oil recovery (EOR) can be further economically viable especially in the case of aged oil fields and high oil price. About 60 Mt of CO₂ was purchased in 2009 in USA, one sixth of them came from anthropogenic source (Moritis, 2009). CO₂ generated from electric power sector would be the most beneficial. Worldwide, near 70% of electricity is generated from fossil fuels, of which 60% is coal (IEA, 2009). The upstream and downstream of oil exploitation and reduction of CO₂ emission can be resolved in one integrated system. Similar concepts and procedures can be also applied to geothermal energy capture (Randolph and Sarr, 2011).

However, carbon capture and sequestration needs high energy and high cost, which needs a sizeable market for CCS technologies. At present, such a market does not exist. The whole procedures from CO₂ capture, transport by pipeline to ultimate storage in geological formations is long. Integration and validation of various models that describe the behavior, fate and migration of CO₂ in various compartments of the geosphere is merely at an infant stage (Koornneef et al., 2012). Research and development are necessary. To make the CCS as a countable climate-change mitigation technology and make a meaningful impact, the CCS infrastructure must be deployed on a massive scale (Middleton et al., 2012). Collaborative government actions are needed to (1) limit significantly CO₂ emissions, and (2) set up national CCS programs as that done recently by Taiwan (Yu et al.,) and China (Lai, 2012, in press).

Summary

Many countries and international organization have initiated and conducted cooperative programs in monitoring and restoration of marine biodiversity, however, special attentions are needed for conservation of coral reef and mangrove eco-system.

Big tsunamis originated by big earthquakes in Sumatra and Japan in 2004 and 2011 , respectively, have caused unforgettable tragedy in Indian and North Pacific Ocean, the trimmer Luzon Subduction Fault System in the South China Sea is likely

to shake in any moment in the near future. Establishing a regional early warning Tsunami network would be a necessary protective measure for the people living in the coastal zones.

Seafloor seepage of methane gas and geophysical prospecting indicate that there are potentially enormous amount of gas hydrate buried in the shallow sediments on the northern slope of the South China Sea. Similar geological setting favoring the genesis and storage of gas hydrate are there along the continental slope of the southern half of the South China Sea. Meanwhile, if the CO₂ generated from coastal electricity power plants can be injected into the reservoirs of gas hydrate and petroleum, the production of energy resources will be enhanced while the excessive carbon dioxides are stored and sealed off in the well-capped formations under sea-floor. Such combined, integrated technique packs are ultimate solution to deal with both energy shortage and global warming problems in one shot.

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Changes in Latitudes; Changes in Attitudes

Changes in the Global Strategic Architecture and their Ramifications for Sea Lane Security, with Particular Emphasis on the South China Sea Issue¹

Presented by

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at the Sea Lanes of Communications Conference,*

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These remarks are dedicated to the memory of one of the great maritime strategists, Vice Admiral Ko Tun-hwa, a driving force behind these Sea Lanes conferences, and a man whose career was exemplified both by action and by profound strategic thought. I am proud of the fact that he was my friend and teacher for several decades, and that he chose, as one of his last acts, to translate my book, "The Art of Victory"², into Chinese.

The global geo-strategic architecture is undergoing profound change, a process which will compound and accelerate over the coming decade. This will involve changes in social attitudes, as well as in economies and capital formation; the problems of ageing and increasingly sclerotic political and governmental structures; and real questions as to the pace of technological progress.

These factors and more are interacting to create a totally new global strategic framework.

All of this in turn transforms the relative significance of key maritime, land, and air trade and power projection routes, because of the changing geographic dispersal of wealth and political factors. However, one of the most critical underlying drivers of these changes involves the fluctuation of population levels and the issue of population flow.

Specifically, impending global population decline, coupled with economics-driven and security-driven population movement, as well as increasing urbanization, have begun to transform strategic priorities and realities into the 21st Century.

We are seeing, as part of this process, a reversion, in some respects, to the division of the world into *blocs* representing heartland powers and maritime powers. This process has had a side effect of creating a profound and deep split in the nations which have

¹ With acknowledgement to US songwriter Jimmy Buffett's song, "Changes in Latitudes, Changes in Attitudes".

² Copley, Gregory R.: *The Art of Victory: How Nations Can Survive and Individuals Succeed in the Coming Global Transformation*. New York, 2006: Simon & Schuster's Threshold Editions. Chinese edition 2012. Serbo-Croat edition 2008.

come to represent “the West”, or at least “Western civilization”. This process will also accelerate further as different patterns of social and economic dependency transform cultural identities in the West and the emerging power *blocs*.

All of this contributes to the reality that global sea lanes are in the process of being *re-weighted* as to their strategic value, relative to changing needs and changing power structures.

What this means, then, is that if the global political framework alters — in other words, if the pattern of human numbers, attitudes, and needs changes — then the geopolitical architecture itself must change. Changing human needs, aspirations, and numbers transform the strategic weight of geography, and this transformation occurs inexorably.

This paper addresses the factors which will impact sea lane weights over the coming decades, including transforming energy and resource patterns, and the impact of transformations in the Middle East, Asia, Africa, and Latin America. Finally, it addresses how all these changes will affect the relative strategic importance of, and outlook for, the South China Sea SLOCs and the options for key regional players.

Philosopher Oswald Spengler noted in 1918 that the world had moved from the classical era of culture to the creation of Western civilization, but that, by the early 20th Century, the era of Western civilizational dominance was already coming to an end.³ The world was moving not just toward the end of an era, but the end of an epoch. It took a century for the decline of the West — as Spengler saw it — to reach its *dénouement*. That is the point which we have now reached. The West has not yet reached its finale, and we await some clarity as to what that may entail, including the prospect of rebirth or evolution.

But the global geo-strategic architecture is indisputably undergoing profound change. That has now been recognized. Transformations in the obvious military, economic, technological, and social trends, are beginning to be analyzed, but the underlying drivers of these trends involve the related transformations of population levels and population movement.

This period of change is far from complete, and its consequences are not able to be accurately forecast. The process of global cratometamorphosis — societal reorganization — is not necessarily entirely unstable. But as a result, patterns of trade and power projection are in an unstable phase of evolution, and the arterial avenues of these activities — the land, sea, and air routes — are transforming in their relative importance.

As a result, we are seeing a reversion, as I mentioned, to the division of the world into *blocs* representing heartland powers and maritime powers.⁴ This process, albeit not

³ Spengler, Oswald: *The Decline of the West*.

⁴ See Copley, Gregory R.; with Pickford, Andrew; Bodansky, Yossef; and Archibald, David: *Energy Security 2.0: How Energy is Central to the Changing Global Balance in the New Age of Geogra-*

yet fully acknowledged, has had a side effect: there has been a profound and deep split what we have come to know as “the West”. This process will also exacerbate further as different patterns of social and economic dependency transform cultural identities. The West, in fact, has not been culturally homogenous for some decades, particularly with the waning of what had been Judeo-Christian based, and also Greco-Roman based, concepts and values.

All of this contributes to the reality that global sea lanes are in the process of being re-weighted as to their strategic value, relative to changing needs and changing power structures.

Politics, by definition, is the art of societal management; and geopolitics ties that dynamic activity to the relative permanence of geography. Politics — in the broadest sense — defines how we manage human society and progress, including how we develop our economic models. This in turn determines how well we build our physical and psychological tools of survival and dominance.

In other words, human activity is dynamic; geography less so. Geographic *value*, in other words, is related to human needs and perceptions.

Today, as the 21st Century takes on its own shape, this transformational nature of humanity — and therefore geographic weight — is occurring rapidly, and for a variety of reasons.

Thus, the strategic importance of, for example, the Suez Canal/Red Sea sea-lane of communication (SLOC) may become relatively less important than it was in the 20th Century. Indeed, that particular example is already true, not necessarily in terms of absolute tonnage, but in terms of its relative importance. We have seen throughout history how patterns of trade ebb and flow, and with those patterns so too does the strategic value of the geographic rise and fall.

There are valid reasons why this transformation of relative weights will undergo even more dynamic movement in the coming decades, and why political and military planning must prepare for a different set of challenges. This will, equally, transform what ships, aircraft, and force structures are required, and what diplomatic and political-grand strategic initiatives and doctrines are required.

Some of the key factors which will impact planning on sea lane studies over the coming three to five years include the following suppositions:

1. The near certainty that global overall population levels will peak, possibly within a decade, and then begin a period of fairly rapid decline;

phy. Alexandria, Virginia, 2011: The International Strategic Studies Association. See, in particular, Chapter II: “Heartlands, Rimlands, and Oceans: A New Age”.

2. The already-evident process of economic transformation, which includes significant periods of economic unrest and areas of decline, which in itself will directly impact trading patterns, but which will also see
3. A process of lateral population movement from areas of economic hardship to areas of relative prosperity (in other words, economic migration, both legal and illegal), as well as
4. An ongoing escalation of urbanization of populations from rural areas, transforming consumption patterns and other things

The Transforming Global Pattern

Oswald Spengler gave ample warning, in *The Decline of the West* (which he wrote mainly during World War I), that Western civilization was even then reaching in some ways the term of its natural life. He demonstrated that Roman and later Western civilization (which emerged from the classical era of Greek culture) had pursued — as civilizations do as they emerge from cultures — a process of expansionism and materialism. It is a process which has an organic lifespan.

Those who thought that Spengler was defining the “decline of the West” in terms of the coming few years would have missed his historical perspective. However, the process he described took the path he predicted, in which continued expansionism in material and spatial (and therefore population) terms would occur alongside the evolutionary maturing of political structures.

So, then, is “the West” now in that process of “decline” which the title of his book suggested would occur? And if so, then what are the ramifications of that in strategic terms?

Clearly, in the 20th Century, the expansionist nature of “the West” came to embrace — in some senses — nations which were not Western, such as Japan, even the Republic of Korea, and other geographic outliers, such as South America and Australasia. In these areas, as in all civilizations, and as Spengler noted, the driving force is material and geographic/territorial growth and future acquisition. It is about the future. Hence, the failure (or decline, or collapse) of a society or individual is, *ipso facto*, measured in material and spatial terms.

What is significant is that modern civilization — as opposed to Classical culture — defines its being in quantitative terms. Geographic quantification has some fairly enduring qualities. Most other measurements, excepting measurement of finite numbers of lives extant, are highly subjective, including measures of wealth, happiness, security, and so on.

So to measure “growth” and “decline” in most equations it is necessary to use a civilization’s own standards of measure. “Gross domestic product” (GDP) is one such measure. And this is done in terms of a currency or currencies which are equally psy-

chological reflections of the societies and the civilization which has dominance. Presently, GDP calculations and comparisons are mostly based on the perceived (or psychological) value of the United States dollar, given that the US has had the power to determine the language and terms of debate and engagement.

In geo-spatial and economic terms, however, “the West” — by the West’s own definitions — is facing transformation and, in many respects, “decline” in Spenglerian terms. Can this be reversed? I address this very much in my new book, *UnCivilization: Urban Geopolitics in a Time of Chaos*, which is due for release shortly⁵.

But, in essence, the answer is: if realistic grand strategic objectives of a society can be articulated, and operational strategies defined and managed, then goals can be achieved. Absent that fundamental framework — which includes the specific defining of where a society wishes to be, and understanding the context in which it wishes to achieve that status — then it will persist in a path of decline determined by the maturing and breakdown of its structures. Of course, the defining word in that process is “realistic”, itself a subjective interpretation.

The West had, by 2012, accepted that it was in an existential crisis of identity, and that its future was to be determined in comparison with the People’s Republic of China (PRC). Possibly in collaboration with, or subject to, in some respects to the PRC. But the PRC itself began to move from a cultural identity to a “civilizational” identity only with the death of Mao Zedong in 1976. At that point, it was enabled to move into that expansionist (in material terms) and quantitative approach to social organization. In many respects, this new Chinese civilization mirrors that of “the West”, and is therefore measurable against it in the West’s own terms. And the PRC, as the iteration distinct from “classical China”, has proven adept at playing the quantitative process as well as any Western state. This includes the presentation of quantitative “data” in ways which build internal confidence, international respect, and strategic power. By mid-2012, the PRC was doing a clearly more productive job of this than were most Western states, with significant ramifications for levels of social confidence, optimism, and national cohesion.

A continuation of these subjective trends would see, logically, a continuation of an evolving global power structure giving greater place to the PRC and its alliance partners, and less to the West. Nonetheless, even by current standards of measurement, the PRC and, say, the Russian Federation (RF) (at 2011 GDP indicators in US dollars), had an economic base of \$9.156-trillion, and a combined population of approximately 1.5-billion; while a core of the West (even if we looked solely at the US, Japan, Germany, France, the United Kingdom, Canada, Spain, Australia, and the Republic of Korea) had an economic base of \$35.449-trillion, and a combined population of approximately 803-million.

⁵ Copley, Gregory R.: *UnCivilization: Urban Geopolitics in a Time of Chaos*. Alexandria, Virginia, 2012: The International Strategic Studies Association. ISBN: 978-1-892998-18-1. Hardcover, 301pp; US\$32.50 plus S&H.

The disparities, then, in *per capita* asset value (which can, to some degree, be interpreted as wealth), are overwhelmingly, overpoweringly, in the West's favor. Granted, these headline statistics do not comprise the entire framework of either the Russo-Chinese *bloc* or the West. And neither *bloc* is cohesive or coordinated. Granted, too, the momentum of strategic dynamics is with the PRC-Russian Federation *bloc*, and with the concept of relatively viable Eurasian internal communications and distribution networks. This latter consideration, in fact, may be the most significant element in the "balance" which is emerging between East and West (if the old terms can be applied to the new situation). The Eurasian heartland is transforming the focus of much of Continental Europe, as well as Central Asia; they see the Pacific to the Atlantic infrastructure and resource/market linkages as vital, stable, and the basis of a new geopolitical framework. This is perhaps the most significant factor, along the lines of the old song "wedding bells are breaking up that old gang of mine". The new wedding bells are, for example, between Germany and Russia (for Russian-controlled energy supplies) and Germany and the PRC (for the PRC markets). And, for the time being, as Germany goes, so goes Continental Europe.

So painting a picture of "East" and "West" is no longer simple. I refrained from adding India's economy and population into the equation of the balance between the West and the PRC-Russian Federation because — as during the Cold War — India is politically undecided in this regard. From a geo-strategic standpoint, however, India must opt to travel with the maritime powers (US, UK, Canada, Australia, India, etc.) if it is to escape subordination to the PRC.⁶

But even with regard to the traditional maritime power network, which is built to a large extent around the old British and Iberian global trading and colonial structures, the US itself has failed to make a decision as to where it should stand. There is the residual expectation in Washington that "the West" will or would align behind the US, but there is also an emerging perspective that the US should retire to a relatively isolationist stance which would gradually cease to interfere in, or give orders to, the rest of the world in the name of proselytizing democracy.

And the US could, indeed, succeed in remaining aloof and alone. It is on the verge of being able to resume strategic energy independence. However, the very political attitudes which stop Washington from revitalizing its strategic partnerships with its traditional allies of the Anglosphere are the very political attitudes which stand in the way of allowing policies to change to allow the domestic US exploitation of its oil, gas, shale (oil and gas), coal, and bio-fuel potential.

There is evidence that if the Administration of US Pres. Barack Obama was re-elected it would, not having to play to its electoral base for a further term in office, allow some relaxation of domestic energy resources, and allow for new domestic fossil fuel

⁶ See also, Copley, Gregory R.; and Pickford, Andrew: *Such a Full Sea: Australia's Options in a Dynamic Indian Ocean Region*. Melbourne, 2009: SidHarta Publishers.

refining. This would ensure that the US need not place such high priority on the security of its energy-supplying partner states.

It is this new fossil fuel framework which is, as much as anything, determining the new geopolitical shape of the world, and which would determine future economic frameworks and the needs of future military forces. If, as is developing, the US does not need the Persian Gulf/Arabian Peninsula oil and gas (and if Europe also needs it less), then the US need to project power into the Middle East subsides. Similarly, its need to project power into Africa, or the South China Sea, reduces. This has a major bearing on the cost, shape, and doctrine of US military policy.

If, too, Maghreb and Eastern Mediterranean energy resources can supply much of Western Europe, then the European Union zone equally becomes less dependent on the Russian-dominated supply chain. This eventuality would be resisted by Russia in new strategic initiatives, including the manipulation of Russian-controlled energy supplies — by price — to ensure that an ongoing Euro-Russian dependency relationship is sustained.

What we are close to seeing is, however, a Continental Europe which looks Eastward and Southward (toward Central and East Asia and the Mediterranean); a US which looks Westward (toward Asia and the Pacific); and an Asia which remains preoccupied with itself to a large degree, and which is open to opportunity.⁷

For Japan, significantly, there is a strong opportunity to re-think its strategic dependencies. Its concern over growing PRC ability to dominate and interdict inbound energy supply lines can now, foreseeably, be countered by developing fossil fuel imports from Canada and the US Alaskan territory.

All this could re-align how new global alliances would be shaped. Japan would be relieved of enormous pressure. Australia would be slightly more isolated unless the maritime powers resume their historical alliance. Africa would be primarily left to the PRC, India, and Europe. The Middle East and its sea lanes could be less significant as a fulcrum of concern. But all states would still need to consider what they want from the new world, and how they would get it.

Middle Eastern Issues

Many factors on the Middle Eastern/Horn of Africa scene and the global stage have begun to coalesce. This has been particularly the case since the effective disappearance from power of the leaders of Eritrea and Ethiopia during 2012. These leaders, and their feud, were key elements in the Red Sea strategic framework. New and fundamental questions must now be raised about whether the geo-strategic importance of the core Middle East — the Arabian Peninsula and the seas to the north, east, and south of it — has also begun to be transformed.

⁷ See, Copley, Gregory R.: "The Atlantic Vacuum; the Pacific 'Full Sea'" in the Early Warning column, *Defense & Foreign Affairs Special Analysis*, July 21, 2012.

The changing of the guard in Ethiopia is just one watershed event. Prime Minister Meles Zenawi's death during July or August 2012 (announced August 20, 2012) came at a time when Eritrea's Pres. Isayas Afewerke was also incapacitated (and, equally possibly, close to death), and at a time of political transitions in Egypt and Yemen, and internal preoccupation in Sudan (to the point of war with South Sudan). Indeed, it comes also at a time when the Saudi Arabian leadership itself is contemplating generational change.

At best, the end of the Meles and Isayas autocracies compounds the break of the *status quo* of the past few decades in the Red Sea/Suez sea lane of communication (SLOC), the broader Horn of Africa, and in Egypt itself. This has profound implications for East-West trade, which depends on the SLOC; transforming Egypt's traditional hostility toward Ethiopia (which has utilized Eritrea as a staging horse to isolate Ethiopia, so as to minimize Ethiopian interference with the Blue Nile source waters); and opening up the prospects for Israel to once again more safely project naval power down the Red Sea to the Indian Ocean.

At the same time, however, the centrality to the global market of the oil and gas exports from the region (and particularly the Arabian Peninsula and Persian Gulf) has been declining. The question has to be asked as to whether the Red Sea/Suez SLOC is as strategically critical as it was, say, two decades ago? Certainly, in terms of ship movements and revenues to Egypt (Suez Canal), it may have risen in direct, statistical terms. But is it as critical in overall terms of strategic balance?

For the PRC and Japan, for example, while exports from the Persian Gulf remain critical, these can bypass the Red Sea/Suez SLOC, and, increasingly, the PRC is seeking overland oil and gas transfers from the Northern Tier (Iran and the Caspian Basin), rather than via sea lanes. To some degree, for Europe as well, pipelines are the dominant traffic lanes of the future, rather than sea lanes. On the other hand, oil and gas from the Horn of Africa itself — as well as from Yemen — is of growing importance, although oil from South Sudan is being postured to go via new pipelines through Kenya to the Indian Ocean, rather than allowing South Sudanese exports to continue to be subject to Sudanese control. [The original pipelines went from what is now South Sudan up to the Red Sea, through what is now Sudanese territory. The Kenyan route itself is not without problems, given the potential for instability and even secessionist activities taking place in Kenyan coastal regions.]

Japan itself, now highly conscious of the vulnerability of its oil and gas sea lanes through the Indian Ocean — as US influence declines (despite the US' "Pacific pivot"), and because of increased PRC activities to control the chokepoints: the South China Sea sea-lanes, which link the Indian Ocean (and therefore the Red Sea) to the Pacific and on to Japan. As a result, Japan is seen as likely to increase its attempts to acquire Canadian oil and gas, largely from the Alberta fields, especially since the US Barack Obama Administration rejected (for the time being) plans for a pipeline from Alberta down through to the US markets. But the Canadians are also now more aware

of, and ready to act on, the reality that an export market exists for their oil outside of the US. Significantly, as the global energy pattern changes, however, the US demand even for Canadian energy is seen as likely to decline.

Ultimately, an Alberta-Vancouver pipeline may make sound sense to Canada, to address the Asian markets, including Japan. And Japan might also find that it can find energy supplies from the US fields in Alaska, given the fact that the Alaska pipeline itself is under-utilized and facing real questions as to its viability if demand for Alaskan energy from “the lower 48” states declines further.

Such a move would instantly free Japan from the strategic uncertainty and massive cost of importing oil and gas from the north-western Indian Ocean (Persian Gulf), and give it short, secure sea-lines of communication with North America. This becomes increasingly important as Japan decides whether it can, politically, return to nuclear power generation or not.

Inherent in all this is the reality that US reliance on Middle Eastern energy is declining, and declining rapidly, notwithstanding the tactical — and short-term — surge in US oil imports from Saudi Arabia in 2012 as a compensatory measure for the US-led embargo against Iranian exports and imports.

But even the short-term fluctuations in Middle Eastern trade and security issues means that fear and uncertainty over regional sea lanes and choke points should be expected to be a driver in future energy procurement decisions and trade. In other words, this is likely to be one factor pushing energy companies to invest in the recovery of oil and gas from less politically hostile regions. This could well spur the US — particularly after this term of the Barack Obama Administration — to redouble its efforts at recovering energy from its newly-confirmed oil and gas reserves. Egypt itself could also well turn its back on the Red Sea to some extent (although it will always be important to Cairo because of Suez Canal revenues), if Ethiopia can reassure it on the question of Blue Nile water flow, and if the offshore Mediterranean gas fields can provide a major energy income from European clients.

Even within Europe, the new availability of energy resources from the massive shale deposits, as well as the new Eastern Mediterranean gas fields and the growing network of supplies emerging from Russia and the Caspian Sea Basin, make the Middle East less critical as an energy resource. Clearly, the Red Sea/Suez retains its importance as a trade sea route, but even that, to an extent, is to be supplemented, if not challenged, over the coming decades by internal overland connections within the Eurasian landmass: the new Silk Route.

Has Arabia’s brief period in the geopolitical sun begun, then, to approach its apogee?

All of this, then, could cause the PRC and India to become Ethiopia’s (and South Sudan’s) most interested clients for energy, just as they have become more important clients for energy from Iran, the Persian Gulf states, Sudan, and West Africa.

It is unsurprising that the present Turkish Government has begun to exert its renewed interest in the region, particularly by supporting Sudanese Pres. Umar Hasan Ahmad al-Bashir and attempting to court the Muslim Brothers in Egypt. Turkey has reasserted its claim to have an historical interest in the control of the Red Sea, based primarily on its earlier Ottoman dominance of what is now Saudi Arabia. While this Turkish claim or posturing may appear to be unsustainable to regional states, or outside observers, today, it is nonetheless a factor in Turkish neo-Ottomanism, and is also linked to Turkey's grand strategic sense of rivalry with Iran (which also seeks to assert an influence on the Red Sea and Horn of Africa).

Where does all of this leave Ethiopia, Eritrea, and the Horn of Africa?

Significantly, one possibility could be — with the personality-driven autocracies of Meles and Isayas drifting astern — that Ethiopia and Eritrea resume their historical relationship, but in such a way that the various elements of the “old empire” are given their due attention. This could see a gradually coalescing confederation which would include Eritrea (historically, the *Bar Negus*: Kingdom of the North), and Ethiopia, with greater prominence given to the aspirations of its great regions, such as Oromoland, and the Somali regions, Tigré, the Amhara Plateau, and so on.

Nostalgia for the golden days of Emperor Haile Selassie I means that there are elements of the historical interlinking cultures of the Ge'ez language based peoples which still have a commonality.

The South China Sea

The potential for the growth of the overland “new Silk Route” trade linking Asia with Europe could, as we have discussed, dampen the importance of the SLOCs through the Mediterranean, Suez, Red Sea, and Indian Ocean. To some degree, this could also dampen the pressures on the ASEAN and South China Sea SLOCs. However, clearly, the trade of Australia, India, and ASEAN itself to and from the East Asian markets still has profound need of the ASEAN and South China Sea SLOCs. But even there, indications abound that, for example, the PRC is moving toward greater access to domestic mineral resources and overland energy lines from Central Asia and the Northern Tier, which could well diminish the value to the PRC of, for example, Australian resources. Indeed, it is fair to say that diminished PRC demand, as a result of a slowdown in the PRC economy or an increase in domestic resource supply, has already begun to show that the Australian economy is extremely vulnerable.

It may be fair to say that the ASEAN and South China Sea waterways could, in the foreseeable future, become more important to regional states *other than* the PRC than to the PRC itself. At that point, the PRC's interest in those SLOCs could be as much to deny them to others as to control them for the PRC's own needs. This would change the approach which regional players should have to those sea lanes. At present, they represent chokepoints of growing vulnerability to the Republic of China (ROC:

Taiwan), Japan, and the Republic of Korea, rather than merely areas of competition with the PRC.

In this equation, the more that regional states can minimize their dependence on the South East Asian SLOCs, the greater their strategic viability and the lower the cost of their maritime defenses. This gets back to the argument that, for example, Japan, the ROK, and the ROC — and even the Philippines — would benefit significantly by altering their critical sea lanes away from the South China Sea. That is not to say that the PRC lacks the ability to influence affairs on the wider Pacific waters, but this is clearly a more defensible arena than narrow straits.

What stands out in all of this is the reality that the ROC and ROK now have to regard themselves as maritime states and part of the new maritime *bloc*, and Japan must re-awaken itself to that reality. This also applies to India, which remains isolated from the Eurasian landmass by the PRC's commitment to sustaining the Pakistan landbridge which gives an overland link from China to the Indian Ocean.

The ROK and Japan have long understood that they are maritime-dependent, but the ROC persists in thinking of itself as a continental entity, given its origins and links to the overarching concept of "China". By persisting with this frame of reference and identity, however, the ROC loses its ability to maneuver, given that its security framework is presently conceived as being Army-dominated, rather than its reality as a maritime trading power, which pays homage to Mazu, the sea goddess. The more that this present situation persists, the more that the ROC becomes subject to the strategic military power of the PRC.

Clearly, a part of the ROC's security thinking must be to manage a credible defense against invasion from the mainland while building a sustainable strategic relationship with the PRC. But, as a viable maritime trading power in its own right, it must also be able to project naval and maritime operations — military, commercial, and diplomatic — out into the world to safeguard its economy and viability.

At most, the ROC Navy and Air Force are presently allowed minimal resources to project as far as the ROC's South China Sea territorial claims, but without sufficient resources to defend them adequately or to defend the ROC's global trading interests. This is critical, given that some 99 percent of the ROC's energy requirements are imported via sea routes which are at present militarily and diplomatically indefensible. And what is significant is that the preponderance of the ROC military budget is directed to the Army, and that the US, which is anxious to ensure that the ROC does not inhibit or endanger the US ability to maneuver relative to the PRC, puts great pressure on Taipei not to engage in any maritime freedom of action.

The US posture in this regard, then, is virtually one in which it hands the ROC to the PRC on a silver plate, an approach which may serve short-term diplomatic needs, but hardly serves broader US interests. Neither does it serve the interests of the ROC, nor Japan and the ROK. The ROC has, for decades, been fighting for diplomatic maneu-

vering room on the global stage, and this has increasingly been constrained by the PRC's greater critical mass. The PRC is doing what it has to do, but the ROC has, in many strategic respects, ceased to do what *it* has to do.

The challenge to the ROC lies in first understanding its own nature, before it attempts to project itself diplomatically. And the critical understanding of the nature of the ROC is that it is *a maritime trading power*. The Republic of China had its Nelson, its sailor-philosopher who gave it a modern maritime tradition: it was Vice-Admiral Ko Tun-hwa, who passed away in 2010⁸. He gave the country a global strategic frame of reference which recognized the maritime nature of the ROC. But even apart from the ROC, the world of the new maritime *bloc* needs to emerge soon if the heartland states are not to completely dominate the mid-21st Century architecture.

Conclusions

1. The global strategic architecture — the structure of nation-states, power, and wealth — is now transforming rapidly, and will transform profoundly as the world population enters a period of decline and compounded urbanization within the coming few decades. This will determine absolutely (a) which states have the wealth and ability to project power and dominate trade routes; (b) what types of energy and resource needs the major state players may have, dependent upon emerging approaches to technology and resource availability; and, therefore, (c) how they choose to defend and project their vital interests.
2. Trends since the end of the Cold War have already determined to a large extent that the new global architecture — consolidating within a decade — will again be relatively bi-polar, but divided into the heartland Eurasian *bloc* of states, differentiated from the maritime states. The development of the Eurasian bloc is already moving to divide the North Atlantic Alliance, as Continental European NATO members look more to the East for energy, trade, and capital, and are increasingly antagonistic toward the maritime NATO members, the UK, Canada, and the US. What have been viewed as traditional Western “cultural” or civilizational factors are already declining in importance for the European Continental states, and trade, economic, and so-called *realpolitik* factors are assuming greater importance. Within this framework, India has been isolated from the Eurasian *bloc* by successful maneuvering from the People's Republic of China, compounded by the existence of the landbridge linking the PRC with the Indian Ocean via Pakistan, further constraining the development of Indian strategic links into Central Asia and re-joining the Great Silk Route overland trade. India has the ability to overcome this by finding a way to nullify the PRC influence with Pakistan, but shows no sign of achieving this. Its alterna-

⁸ See Copley, Gregory R.: “Ko Tun-hwa Passes the Two Chinas, and a New Era of Maritime Strategy, into the Care of Mazu”, in *Defense & Foreign Affairs Strategic Policy*, 6/2010.

tive, then, is to redouble its efforts to join the maritime *bloc*. In this regard, too, the United Kingdom now must decide whether it can rebuild its national unity and its strategic industrial balance and become a leader, once again, in the maritime Anglosphere which it originated. At the same time, the US must determine whether it, too, will overcome its growing trend toward isolationism and become part of a more balanced maritime *bloc*.

3. Transforming energy usage and resource patterns will dramatically transform the strategic dependency patterns of many states, including the PRC, the US and Canada, and Europe. This in turn will transform the relative importance of those sea lanes which have evolved in value because of energy shipments during the 20th Century. As well, these changing energy and resource dependency patterns will significantly affect the fortunes of raw material supplier states, such as those in Africa, the Middle East, and Australia, and possibly South America. Raw material supplier states which have not evolved into balanced economies — in which there is a domestic supply and market for foodstuffs, industrial products, and the like — will be forced into economic malaise or into alliance dependency situations which compromise their sovereign freedom of action.
4. Within this framework, in the shorter-term (ie: over the coming decade or two), the PRC, Japan, the Republic of Korea, the Republic of China, the ASEAN states and Australasia, will need to re-think their maritime doctrine. The US so-called “Pacific tilt” does not materially improve the condition of many of the Western Pacific/Indian Ocean states in their situation *vis-à-vis* the PRC. The US “Pacific tilt” is merely code for the US abandonment of the Euro-Atlantic strategic zone. Again, within this context, the Indian Ocean remains a growing and dynamic strategic zone, containing a third of the world’s population, and much of its present resource and energy traffic. In the immediate sense, the Indian Ocean is a critical zone of maritime trade.
5. With specific regard to the Western Pacific, then, the Republic of China, in particular, faces a critical dilemma. There is no evidence as yet that the new US focus on the Pacific will assist it in maintaining sovereignty in the face of PRC strategic goals. There is, however, a strong resistance in Taipei to addressing the reality that the ROC is an absolutely maritime-dependent trading state, and that it has essentially ignored what this means to its military force development to sustain its sovereignty. Indeed, given strong ideological positions on both sides of the Straits of Taiwan, there is a profound reluctance to even discreetly re-think and shape the ROC’s grand strategy objectives to even determine where the ROC should be in the coming decades. But even while this debate goes on — or should go on — behind closed doors, it is an inescapable conclusion that the ROC needs to begin the discreet process of building a more comprehensive political, diplomatic, intelligence, and force-structure approach befitting a medium-sized maritime power.

All of the indications point to transformation and opportunity in the global framework, and this allows new thinking to begin as to how navies can re-shape to meet the 21st Century. The PRC's People's Liberation Army-Navy (PLAAN) is evolving new doctrine and new technologies for sea control, while at the same time working to minimize the need for the global blue-water navy, which it cannot yet afford, despite the striking economic advantages the country has achieved. Even as the PLAAN begins to develop its carrier battle group philosophies, for example, it is conscious that these 20th Century fleet units may still have a power projection mission, but — as far as the PLA is concerned — the PRC is spending time on developing weapons systems (such as maneuverable ballistic missile-delivered nuclear warheads and supersonic anti-shiping cruise missiles, and so on) which would render the carrier battle group as vulnerable as the battleship in 1942.

Which brings us to the fact that, until now, the traditional maritime powers have responded to the new strategic framework with fairly conventional doctrines and technologies. Clearly, the maritime powers, or the states which comprise the maritime *bloc*, must think beyond merely conventional naval doctrine and technologies. First, they must decide *who they are* and *where they wish to go* in a grand strategic sense; how they can evolve new trade and alliance patterns; and then how they can develop new maritime doctrines to meet their challenges.

Ends

Opportunities and Challenges for the ROC amid Sea-Power Competition and Cooperation in the Asia-Pacific Region

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I. Introduction

We have witnessed, in the past several decades after the World War II, that the Asia-Pacific area has experienced the world's speediest economic development with its colossal critical mass, enduring strife, and abundant human resources. Some attribute this success to factors like comparatively stable international political and economic order since the Korean War, Japan's recovery as a driving force and as the Asian model of economic development, and finally, but not the least, the presence of American military forces in the Asia-Pacific as security commitment and deterrence to the possible intimidation of communist invasion.

It is however, given the quick pace of modernization and globalization, most of the Asia-Pacific countries are meanwhile wanting of sufficient natural resources to reinforce their consecutive economic development. They have well perceived their vulnerability in natural resources and energy. It is a truism, thus, that the emergent nationalism, sometimes on the basis of populism, and anxiety over national security, and also the competition for natural resources tend to be the major origins of international conflicts in the 21st century.

Some major Asian countries are littoral, they have pretty much lengthy coast lines. Some share both land and maritime boundaries with others. Countries like China, Russia, India and other Indochinese countries fall into this category. Some Asian countries surrounded by the sea, sea lane security will be the lifeline of them. One of the major characteristics of the international settings in the Asia-Pacific is, by and large, that they are too geographically close but psychologically far away from each other. This phenomenon has been dated back to some historical factors. In a peace time, geographical proximity serves as bridge for better communication and commercial links. This proximity would be taken advantaged by aggressors to invade other adjacent countries during the war. One can be reminiscent of the Korea when it was under the harsh Japanese colonial rule for thirty-five years. After Japan's annexation of Korea in 1910, it waged an brutal invasions of Manchuria in 1931 and China of 1937, and finally Southeast Asia during the 1940s. Most countries here are less than 200 miles in distance, causing competition for nautical activities. Due to their geographical proximity, there are often overlapping maritime areas should they claim to have 200 nautical miles of the Exclusive Economic Zone (EEZ). This shows that countries in East Asia are prone to have water-territorial disputes, which will in turn damage the security of the sea lane of communications (SLOCs).

Worse than this, are their territorial disputes. Japan's territorial disputes with China over the Diayutai (Senkaku in Japanese) island, with Korea over the Dokdo (Takejima in Japanese) island, with Russia over the Northern islands, making the territorial disputes easily escalated into international crisis. Furthermore, traumatic memories matter. Japan's invasions of most Asian nations during the Second World War has been fresh in Chinese, Korean, and some Southeast Asian peoples, they still criticize Japan's no sincere repent over its misdoings during the war and they are skeptical about Japan's participation into the international affairs and the linkages to their benefits. The United States' relations with China and North Korea can be seen as another pairs of hostility based on their ideological diversities and also traumatic memories of military hostility.

The United States is no doubt a sea power, especially after the WWII, when it started deep involvement into the Asian international affairs. In fact, Japan was once a sea power before and during the World War II, for Japan used to attack on Pearl Harbor in December 1941 for attaining its military dominance over the United States. After the end of the War, the United States has been the sole sea power, judging from its military strength and alliance systems constructed aftermath. Japan again began to serve as the U.S. springboard checking and balancing against the Soviet bloc during the Cold War and China when entering into the post-Cold War era.

China has been so eye-catching in economic growth as well as military buildup in the last three decades. Scholars would argue that the emerging China's ascendance will inevitably cause conflict with the United States for the latter has been a *pro-status quo* power but the other prone to challenge it.¹ If the sea-power competition should be interpreted as the emerging rival between the United States and China, this rivalry has only been worsened. The sea power competition between China and the United States should not be deemed as this pessimistic. This competition can be attributed partly to the purpose securing their respective strategic leverage, but not necessarily against each other. Other impulse for this competition stems from their lack of trust, plus ideological differences and past experiences of animosity.

The Asia-Pacific region has seen diversified cultures, values and economic as well as political systems. This area has the most vibrant prosperity, but nonetheless possesses the most obvious instability. As it did in the Cold War era, the Republic of China (ROC) continues to be one of the linchpins for prosperity and stability in this area based on its adherence to political democracy, respect of human rights and open and market economy. The ROC has also exerted its contribution to the peace and stability hand-in-hand with other democratic counterparts.

With geographical proximity to the South China Sea and East China Sea, the ROC contributes more in providing paradigms of making its adjacent air and maritime routes for free navigation, deterring the proliferation of weapons of massive destruction, cooperating with other nations in maritime rescue activities, not to mention its efforts in making the Taiwan Strait peaceful water.

This author suggests that the ROC should not be deprived of the "meaningful"

¹ John J. Mearsheimer, *The Tragedy of Great Power Politics* (New York: Norton, 2001).

participation of international community, especially when Taiwan is earnest making contribution and has shown to the world the significance of ROC's goodwill. It is unthinkable for the Asia-Pacific to reap comprehensive security should the ROC be kept out of the stage. The indifference of the big power has thus been the major reason resulting in the ROC's political marginalization. This author argues that this reality should be adjusted for a better cooperation and brighter outlook for a stable international order while exists sea-power competition. The ROC does have both opportunities and challenges in the future, in this sense it is up to the concerning countries to help decide the extent they can benefit from the ROC's participation into the regional affairs.

II. Security Environment of the Asia-Pacific Area

In the Asia-Pacific area, three world's largest economies, namely, the United States, PRC, and Japan, associate here. They continue to preserve the formidable GDP assets and also the hub of international economic activities. Also, they are mutually the crucial trade partners. After many years of cooperation or competition, they all understand that dialogues are the only applicable channels dealing with controversies and that there is no possibility to win a major war without devastating their own benefit. Big conflicts among them may not resurgent, but some smaller conflicts, even driven by other states, should not be totally excluded, judging their occasional strident relations due to the incompatible political objectives. The incompatible political objectives will cover broad issues like China's resentment over the U.S.-Japan alliance and the seemingly new containment policy aiming at encircling China, while Beijing thinks it a menace to China's security. The effort of the United States will help continue isolating China politically, and China will have to solidify coalition with North Korea and function of the Shanghai Cooperation Organization (SCO) so as to counterbalance the influence of such a "pro-American league."

There is no doubt that China's military buildup has been speedily solidified in the last two decade, with double-digit growth each year. No matter how China's leaders stress Beijing's intention is not aggressive, many of the neighboring countries simply take it for granted that Beijing's military presence, especially its drive for "Blue Navy" strategy will inevitably challenge the *status quo* tilting to the interest of the United States and its Asian allies. A new round of the Cold War seems to be resurgent from the viewpoint of China, which is unlikely to tolerate. Another thorny issue has been China's human right abuse and Beijing's continuous quarrels with Western countries and international organizations and mass media. Many Chinese political dissidents were either put in jails or pushed in exile, making the PRC one of the most repressive regimes in the world, according to the Western press and human-right watching organizations. Beijing's response, instead of self modification, is to charge critiques as the "interference into the Chinese internal affairs." There exists, therefore, very least consensus in between China and the democratic world, even they have tremendous trading volumes. They usually are at odds and, sometimes, these unpleasant relations will likely escalate into tensions.

Some challenges of unconventional security are combined to threaten the international settings in East Asia. Conventional perception of security usually focuses how to "win" against enemies when engaged in wars, free from coercive

threat from others and effectively conduct foreign relations at its disposal. "Comprehensive security" nowadays exceeds the conventional scope, i.e., a nation has also to guarantee the unconventional security. Given the backdrop that large-scale conflicts will be remote, human security, stressing the protection of human resources, and environmental security focused on protection of human's lives and well-being have jumped at the top of policy priority. As Michael Renner correctly puts it:

1. Weapons do not necessarily provide security. It was true on September 11th attack, when a determined group of terrorists struck with impunity against the world's most militarily powerful country.

2. Real security in a globalizing world cannot be provided on a purely national basis. A multinational and even global approach is needed to deal effectively with a multitude of trans-boundary challenges.

3. The traditional focus on state (or regime) security is inadequate and needs to encompass safety and well-being for those living there. If individuals and communities are insecure, state security itself can be extremely fragile.

4. Nonmilitary dimensions have an important influence on security and stability. Nations around the world, but particularly the weakest countries and communities, confront a multitude of pressures. They face a debilitating combination of rising competition for resources, severe environmental breakdown, the resurgence of infectious diseases, poverty and growing wealth disparities, demographic pressures, and joblessness and livelihood insecurity.²

Terrorist attacks may not just jeopardize one single state, they also disrupt the entire regional as well as global security and, more importantly, cause human insecurity, social disorder and common psychological shocks. Terrorism shall be, in other words, dealt with by international joint efforts. Regarding global security, more countries began to feel sensitive and vulnerable in this interdependent world, no matter where they locate and no matter the extent their land mass and economic gravity are.³ Not only terrorism, but traditional as well as other nontraditional security issues should be resort to closer cooperation for better management.

Issues from the competition for resources, severe environmental breakdown, resurgence of infectious diseases, poverty and growing wealth disparities, demographic pressures, and joblessness and livelihood insecurity shall not be exceptions—they belong to nontraditional security and must be resolved through more deliberately managed cooperation among the concerned countries. The Asia-Pacific rim countries have been especially alarmed due to their vulnerability regarding natural disasters, dense population living near the coasts, operation of nuclear plants, and several dozens of new one are in their way to be built. The nontraditional threats including this tend to be more likely will push the relevant

² Michael Renner, "Security Redefined," in Erik Assadourian, et. la., *State of the World 2005: Redefining Global Security* (New York: W.W. Norton & Company, 2005), pp. 3-19.

³ Robert O. Keohane and Joseph S. Nye's noted that "to understand the role of power and interdependence, we must distinguish two dimensions, sensitivity and vulnerability." See their book *Power and Interdependence: World Politics in Transition* (New York: Little, Brown and Company, Inc., 1977), pp. 12-13.

political units and other international organizations to cope with joint efforts.

The Asia-Pacific Economic Cooperation (APEC) was established in 1989, one year prior to unification of Germany and one year before the collapse of the Soviet Union. The APEC has been so far the most useful cooperation regime that effectively invites the Pacific-rim economies to deal with mutual interests. Besides the annual meetings of the high-ranking officials in finance and foreign affairs, there are also summits of non-official leaders from those participating economies. Due to its members being economies, China, Chinese Taipei, and Hong Kong thus were able to join with it in November 1991. The summits seem to be ceremonial that individual leaders gather to show their goodwill and consensus of the summit, it is, however, helpful to achieve some peaceful atmosphere leading to a common good to the whole. The APEC thus has been a great success dealing with issues imperative to the trends in economy and security. Ever since 2001, when the United States was attacked by some terrorists in New York, the APEC also covers, not necessarily tasks backing up the United States, the common efforts to deter the proliferation of the international terrorism. The APEC has now 21 economies that hold more than two thirds of global population and half of the international trade. The APEC is therefore a pretty encouraging platform in contributing to the international understanding and cooperation in this area.

Competition for natural resources and energy has pushed states here more hostile and easily indulged into hostility. Most of the Asia-Pacific countries, possibly with the exception of Russia, are wanting of natural resources and energy in supporting their consecutive economic development. It is believed that petroleum would be depleted after three to four more decades, advanced countries would have to promote the invention of new energy to be replacement of gasoline, or they have to search for new oil fields for further exploitation. Big powers are prone to take these two alternatives, but it is easier to insure that they possess more land or territorial waters for this purpose. It is quite understandable that some particular areas will be the flashpoints for territorial disputes. The flashpoints nowadays will cover South China Sea, East China Sea, and Japan Sea, for which many expect their being the reservoir of abundant oil and natural gas. To insure the control of the above-mentioned areas, it is therefore imperative to claim the offshore islands and reef in the disputed areas. Territorial disputes are now the most worrisome source of international crisis or conflicts in this region.

Radical nationalistic sentiment has obviously been the by-product of the territorial disputes. They are easily found everywhere and resumed so harshly in the Northeast Asia. Merely take some examples, Japan and Korea protested each other for President Lee Myung-bak's landing over the Dokdo (or Takejima) as a gesture to claim Korea's sovereignty over the island. Japan threatens to downgrade their bilateral ties and call off the future economic ties due to Lee's "provocative activities." Of course, South Korean government rejected Japan's accuses and stressed its justification in possessing the island. Besides, China and Japan have been at odds over the Diaoyutai (or Senkaku) island. Since this April, a series of provocations started from the Japanese side. Mr. Ishihara Shintaro, the Tokyo mayor, expressed interest in "purchasing" the Senkaku island as the preemptive tactics to possess the island. The Japanese government under Noda Yoshihiko, instead, proposed to "nationalization" of the islands. Some rightist politicians went even

farer in "landing" the islands.

All in all, these activities have provoked resentment of China. Some Chinese went to the Diaoyutais but charged by the Japanese police as "intruders" and captured. Although all the "intruders" were "expelled" without Japan's jurisdiction, there burst tremendous anti-Japanese protests in Chinese mainland. The protests were the biggest of their kind since the anti-Japanese demonstrations in 2005, and the Chinese officials decided in this case to allow its citizens to let off some steam, although China abhors demonstration of any kind. There emerged some outspokenness among the hard-line military officers want China to deploy its growing military strength more assertively.⁴ Any radical sentiment will possibly cause unexpected clash in the East China Sea, and will in effect be detrimental to the stability of the sea lines of communications (SLOCs) and regional security.

The downturn of American influence and the American economy have been well-perceived by the contemporaries, given the facts that Washington was besieged by "liberating Iraq" in 2003, deep involvement into the anti-terrorists in Afghanistan and Pakistan, Jasmine Revolution in Northern Africa and the Middle East, and finally the collapse of Libya's Muammar Abu Minyar al-Gaddafi. These activities have consumed hundreds of billions of American supplies and hard currency. The financial tsunami during the 2008 in New York has further blown the American economy. The American difficulties here and there provided Beijing a leverage within which China would enjoy a better chance to ascend its military presence and exert political influence, which invites worry of the other Asian countries. Japan, the United States' closest ally in Asia, became very sensitive to the China's military expansion, given the fact that China's vessels have been found passed through the Ryukyu Island chain several times. There exists great debate whether if China's presence in East Asia will be intimidating and whether if China should be contained. Responding to this alarming situation, Japan has decided to invite much solid American military posture, like continuous presence of the US marine cops, advanced aircrafts, in addition to a revised "Joint Japan-US Defensive Principle" for better management of the rising PRC's naval presence.

III. Sea Power: Meaning and Significance

According to Alfred Thayer Mahan, a vanguard proposed the idea of sea power, defined sea power as a product of international trade and commerce, overseas bases, and merchant and navy shipping.⁵ James Holmes and Toshi Yoshihara elaborate further, when research on China's naval ambition, that "strategy matters" when study China's naval activities. But only talks merely about facts and figures, instead of judging from the "tacticization of strategy" the reality "can not be correctly grasped." Holmes and Yoshihara continue to explain that "sea power isn't just about the latest hardware."⁶ "Human factors," they argue, will be more decisive. A fleet's technical characteristics on paper, like tonnages, fuel capacity, missile ranges, and so

⁴ "China and Japan: Relations on the Rocks," *Economist*, August 25, 2012, see <http://www.economist.com/world/china>

⁵ James Holmes and Toshi Yoshihara, "The Meaning of Sea Power," *The Diplomat*, December 10, 2011.

⁶ *Ibid.*

forth, will say little about how, and how well, seamen and airmen will handle and other competitive endeavors. According to Holmes and Yoshihara, what they propose is to concentrate on human factor, and in particular on "how China thinks about the sea," when touch upon China's idea of sea power.

It is true to consider human factors while gauging a certain country's "quality" of sea power and thus can lead to see to what extent its fleet can cooperate or compete with others. In addition to the way the nation "thinks about the sea," mindset of its leaders matter, too. For the United States, Washington has dominated the Pacific Ocean since the end of the Second World War, once the United States suffered from the Japanese attack in Pearl Harbor in late 1941, through the bitter test the American exemplified its omnipotent naval primacy in the Pacific Ocean in the post-WWII era. The U.S. navy has done its best in preserving its dominance, i.e., to prevent its seafaring area from being intruded, attacked, or challenged. The United States has been successful in maintaining its leverage so that the new comer will not have the capability to compete, or enter the American controlled maritime area. For the purpose of effective deterrence, the United States has resorted to coalitions or alliances to maintain this undaunted predominance.

In a nutshell, preserving the status quo will be to the benefit of Washington. The new comers, or potential adversary of the United States, will be benefited from the dissolution, or collapse of the *status quo*. In the very beginning, the new comers may pretend not to overthrow the *status quo* or challenge the leverage of the incumbent sea power—most cases they demand instead the fair participation, say, free navigation, or co-management of maritime security. Long after the new comers' establishing leverage, they hope to set forth their influence in the previously dominated by a single country—namely the United States. The United States never gives up its dominant position in the Pacific Ocean, neither does any other country has the caliber of capability in replacing the United States as a dominant sea power there.

Also, it is correct to integrate the factors of both "seamen" and "airmen," since both are crucial parts for winning seafaring warfare. Ever since air forces emerged to be part of combatants, "seamen" began to necessitate the "airmen," and the former will be very much vulnerable under the challenges of adversary's air forces. This has been particularly true since the inception of the World War II (WWII). Take Germany for instance, Hitler's navy took advantage of submarines to attack British vessels in order to blockade SLOCs to England, when was the high tide that Germany kept advantage and many vessels of the Allied Powers were sunk. This leverage was gone, however, when British air forces (joined by the American pilots) succeeded in counterattacking Germany and destroyed the major German productivity. Better control of the war fields and the final victory will hinge on tactically combined operation of both.

Raymond T. Odierno, the Chief of Staff of the U.S. Army, adds his viewpoints that the coming decade "will be a vital period of transition for the U.S. Army." According to Odierno, "the service will have to adjust to three major changes: declining budgets, due to the country's worsened fiscal situation; a shift in emphasis to the Asia-Pacific region; and a broadening of focus from counterinsurgency, counterterrorism, and training of partners to shaping the strategic environment, preventing the outbreak of dangerous regional conflicts, and improving the army's

readiness to respond in force to a range of complex contingencies worldwide.”⁷ He stresses, the United States serves as a critical guarantor of stability in the Asia-Pacific region, a robust joint military presence there is an important part of the U.S. broader regional strategy. The U.S. naval and air forces maintain the ability to provide strikes, and if a broader conflict arose, “they would play a key role in enabling the entry of the U.S. Army or the Marines into the theater.” The recently announced training initiative between the U.S. and Australia, army’s partnership with South Korea, its long-standing record of exercises with Japan and Thailand, and special operations forces’ training missions in the Philippines are evidences for his argument. Of course the triad cooperation among Navy, Air Forces, and Army will help to ensure the efficiency of preserving the American strategic interest, it will be perceived as severe challenges from U.S. adversary, say, the PRC.

Critical factors helpful to the promotion of sea power will be the country’s national power. A country locates in the inner part of the continent is for sure unlikely to own sea power, since it has no littoral experience. Nor does it have bases for cultivating navy. Geographical factor will matter, too. The reason why Russia expanded southward in the nineteen and twentieth centuries was primarily due to its acquisition over frozen-free ports, and naturally the weakened China and Turkey turned out to be Russian targets. Other national power will be composed of technology, vision of the global affairs, willingness to augment national interest, human and natural resources, economic advance, quality of diplomacy, and people’s loyalty to their country, i.e., nationalism. Only through their effective convergence, can a nation strengthen its sea power and often promote its national interests.

The extent of each and every country that transforms their national resource into sea power can be comparatively based on different gifts endowed. This comparison can be *subjective*, other factors still cast different influence onto the competitive dimension among nations. This is an *objective* reality that can be driven by the pattern of international relations, extent of cooperation and competition, or even the domestic change of a certain country. A satisfied sea power in a certain period tends to uphold the *status quo* and prefers an already-existed international order to be sustained for its own advantage. The mentality of *pro-status quo* stresses the stability and security of the SLOCs, and would solicit assistance or alliance to suppress or deter those “revolutionary cliques.” If the situation should be complicated enough, the SLOC insecurities will possibly come after. Scholar identifies those settings like unstable political relationship among regional countries, different interpretation over the freedom of the seas principle, islands’ sovereignty disputes and overlapping maritime jurisdiction claims, the emerging naval build-up, and non-conventional threats such as pollution, piracy, drug-trafficking will affect the SLOC security.⁸

Kawamura specifically identifies that the dominant factors that may obstruct the free use of SLOCs will have six: disruption due to maritime accidents or disasters at sea, damage due to piracy, disruptions to the maritime system, unilateral declaration restricting specific waters, disruption due to regional conflict, and intentional

⁷ Raymond T. Odierno, “The U.S. Army in a Time of Transition: Building a Flexible Force,” *Foreign Affairs*, May/June 2012, p. 7.

⁸ Ji Guoxing, “SLOC Security in the Asia Pacific,” Center Occasional Paper, Asia-Pacific Center for Security Studies, Honolulu, Hawaii, February 2000.

obstruction to deny use of sea lanes.⁹ Thayer instead specifies that the major threats and challenges to maritime security come from: unsafe actions against military vessels in EEZs and international waters, disruption of commercial activities, harsh treatment of fishermen, piracy, and regional force modernization.¹⁰ It will be easy to grasp some other descriptions over the reasons, but if Thayer is to specify “regional force modernization” as one of the major reasons, it is not surprising that “China’s rise” will be the major concern. Thayer also praises the security cooperation at ASEAN has been fast facilitated.

It is also likely that failure of, or collapse of the certain “balance of power” between the sea powers will help to result in the readjustment of their relations, which one of them, or both of them take it as a threat and appeal for the resumption of power relationship. Prior to the inception of the World War I, Germany was believed by the Great Britain in carrying out a plot “the Great Navy” that might ruin the dominance of British Navy. Perceiving the German sea power expansion as the major threat, Great Britain decided to adopt a prudent policy based on alliances with France, Russia in deterring the Germans.

It is again commonly speculated that China will possibly replace the United States as the dominant power in the next two decades, but it seems that China is unlikely to “govern the world.” It is true that China’s military capability has been increasing quickly, but it does not necessarily mean China’s threat has been imminent. Some Asian countries, particularly China’s potential competitors think in the other way and demand greater attention regarding this tendency. Also, it is commonly recognized that the American economy encounters a great stagnation after the 2008 financial tsunami, it seems that United States national power, or caliber, of being a superpower has faded. One may be right to assert that the United States will not be able to maintain its position of global leadership if the U.S. economy continues on its current trajectory. China also possesses more tangible military forces, such as 2.3 million of army, and more vessels than the United States, but does it mean that Beijing is certainly destined to win over the United States, and so that the latter would have to resist this adverse trend? According to American scholars, some Americans overlook Chinese policies that will complicate the country’s economic rise and ignores the possibility that Chinese growth will simply stop. Also, Chinese “dominance,” if there is any, will bear little resemblance to the US-style preeminence.¹¹ The PRC’s naval forces, or sea power at best, is still no parallel to that of the United States at least for many years to go.

For the past three decades, the PRC has had a marvelous economic development, making it one of the robust economies in the world. In the year of 2011, China surpassed Japan to be the second largest economy. According to China, it is normal and appropriate to possess military forces—and of course navy—that is commensurate with its economic size. To soothe the anxiety of China’s neighbors, Chinese leaders have unremittingly claimed that China’s rise has no hurt or threat to

⁹ Sumihiko Kawamura, “Regional Cooperation on the Seas: Potential and Limits,” Asia Foundation: Joint Research Project on Decision-Making in Diplomatic Policy Subgroup on Security Issues,

¹⁰ Carlyle A. Thayer, “Efforts of Ensure Maritime Security,” Presentation to the 2nd Tokyo Defense Forum Seminar organized by the Ministry of Defense, Tokyo, Japan, March 16, 2012.

¹¹ D. Scissors, A. Subramanian, “The Great China Debate: will Beijing Rule the World?” *Foreign Affairs*, vol. 91, volume. 1, pp. 173-177.

any other. Among them, Dai Bingguo, one of the leading Chinese State Counselor, wrote an article talking about China's development and Beijing's foreign relations. When Dai mentioned China's relations with other countries with a fast developing China, he stresses, first of all, China follows the Five Principles of Peaceful-Coexistence. Dai continued to confirm that, secondly, China follows the win-win strategy of opening-up and never adopt the beggar-thy-neighbor policy, and, thirdly, China stand for settlement of disputes and conflicts through dialogue and negotiation and by seeking common ground while shelving differences.

Dai also articulated that "China pursues a defense policy that is defensive in nature," and that China's military building is aimed at upholding sovereignty and territorial integrity, "safeguarding its more than 22,000 km-long land boundary and 18,000 km-long sea boundary and ensuring development in a peaceful environment. Dai again argued that China is "neither driven by arms race nor the desire to seek hegemony or expansion," and that "China's military spending is minimal both in aggregate and per capita terms and cannot pose a threat to other countries." To elaborate China's objective in development and how China uses its growing power and influence, Dai said that China has taken active part in the joint response to global issues such as energy, food, climate change, terrorism, natural disasters, infectious diseases and financial crisis as well as the settlement of regional hotspot issues such as the Korean nuclear issue, the Iranian nuclear issue, Palestine-Israel conflict and the Darfur issue in Sudan. Also, according to Dai, China is active in the building of the international system and is ready to play a more active role in the process of making a better world, and finally China "has actively promoted the development agenda, as China's economy has contributed over 10 percent to the global wealth and over 12 percent to international trade growth."¹²

It is however that some neighboring countries will have different perception toward China's path of development and its relations with the rest of the world. Many of them have perceived growing but a threatening power due to China's fast growth. Main reasons can attribute to China's being autocratic, closed, and sole political party controlled governance. Furthermore, absence of democratic checking and balancing political system as well as lacking of policy transparency especially have made China's military growth along its boundary and seashore of more concern to other nations. China's leaders, including Dai Bingguo and many others, are extremely exhausted in correcting the "stereotypes" that may have well "misunderstood" China.

The Office of the American Secretary of Defense usually sends annual report to the Congress on China's military power, and the most updated was released in September 2011. It says that "China's rise as a major international actor is likely to stand out as a defining feature of the strategic landscape of the early 21st century. Sustained economic development, coupled with an expanding science and technology base, has also facilitated a comprehensive and ongoing military modernization program." It released that in 2004, Hu Jintao articulated new guidance for the People's Liberation Army (PLA), including missions extending beyond China's immediate territorial interests. China's modernized military could be, according to

¹² Dai Bingguo, "Stick to the Path of Peaceful Development," *China Daily*, December 13, 2010. See http://www.china.org.cn/opinion/2010-12/13/content_21529346_3.htm

the report, put to use in ways that increase China's ability to gain diplomatic advantage or resolve disputes in its favor. The report says that the decade from 2011 through 2020 will prove crucial to the PLA as it attempts to integrate many new and complex platforms, and to adopt modern operational concepts, including operations and network-centric warfare. And it is "however" remains uncertain about how China will use its growing capabilities. Finally, the annual report warns that the United States must continue monitoring PRC force development and strategy.¹³

Regarding the speedy development of the PRC's naval forces, the annual report continues to mention that since the 1990s, the PLA Navy has rapidly transformed from a large fleet of low-capability, single-mission platforms, to a leaner force equipped with more modern, multi-mission platforms. Many PLA Navy combatants are equipped with advanced air-defense systems and modern ASCMs, with ranges in access of 185 km. Moreover, the PLA Navy possesses some 75 principal surface combatants, more than 60 submarines, 55 medium and large amphibious ships, and roughly 85 missile-equipped small combatants. The renovation of the ex-VARAG, already began trials in 2011, although without aircraft, will likely serve initially as a training and evaluation platform, and eventually offer a limited operational capability. China is likely to build multiple aircraft carriers with support ships over the next decade. The annual report also points out that the PLA Navy is improving its over-the-horizon (OTH) targeting capability with sky wave and surface wave OTH radars. In addition, China continues to produce a new class of nuclear-powered ballistic missile submarines (SSBN), JIN-class (Type 094) SSBNs will eventually carry the JL-2 submarine-launched ballistic missile with an estimated range of some 7,400 km. China has also expanded its force of nuclear-powered attack submarines (SSN). Two second-generation SHANG-class (Type 093) SSNs are already in service and as many as five third-generation Type 095 SSNs will be added in the coming years. China also has deployed some 60 of its new HOUBEI-class (Type 022) wave-piercing catamaran hull missile patrol boats, each boat can carry up to eight YJ-83 ASCMs. Besides, the PLA Navy has acquired a new generation of domestically produced surface combatants. More ships will be introduced and they will significantly improve the PLA Navy's area defense capability, which will be critical as the PLA Navy expands its operations into "distant seas," beyond the range of shore-based air defense. With these improved facilities and buildup, some scholars would think that the PLA's power projection capabilities to facilitate missions well beyond Taiwan and regional areas, but publicly the PRC's officials always contend the increasing the scope of China's maritime capabilities is intended to build capacity for international peacekeeping, humanitarian assistance, disaster relief, and protection of sea lanes.¹⁴ The PLA's Navy, multiplied by the other factors like air and ground forces, can be deployed into the conflicting area, including the SLOC that the PRC is concerned. Table 1 will help to illustrate the comparison in between China and the United States' military capability in general. One can see that, based on the sources released in 2011, China's defense budget, share of military expenditure, numbers of the high-tech weaponry, will be less than that of the U.S. Nonetheless, some of the PRC's conventional forces will be able to compensate its technological backwardness and pose meaningful threat to the adjacent states.

¹³ See *Annual Report to Congress: Military Power of the People's Republic of China, 2011*, published September 2011, released by the Council on Foreign Relations.

¹⁴ *Ibid.*

Table 1: U.S. and PRC's Military Forces

Armed and potentially dangerous

Military assets, 2011

	China	US
Defence budget 2010-11, \$bn	89.8	739.3
Share of GDP, %	1.3*	4.9
Active personnel, m	2.3	1.6
Strategic and long range assets		
Intercontinental ballistic missile launchers	66	450
Bombers	132	155
Nuclear-powered submarines with ballistic missiles	3	14
Manoeuvre†		
Modern main battle tanks	2,800	6,302
Armoured infantry fighting vehicles	2,390	6,452
4th generation tactical aircraft	747	3,092
Attack helicopters	16	862
Heavy/medium transport helicopters	294	2,809
Power projection		
Cruisers/destroyers	13	83
Aircraft-carriers	0	11
Frigates	65	28
Nuclear-powered submarines	5	57
Principal amphibious ships	1	29
Heavy/medium transport aircraft	57	847
Tanker aircraft	13	550
ISTAR‡		
AWACS§	14	104
Heavy unmanned aerial vehicles	na	370
Imagery satellites	15	10
Intelligence satellites	11	20
Navigational satellites	10	31

* Official figure; excludes some military spending

† Combat units and formations capable of manoeuvring

‡ Intelligence, surveillance, target acquisition and reconnaissance

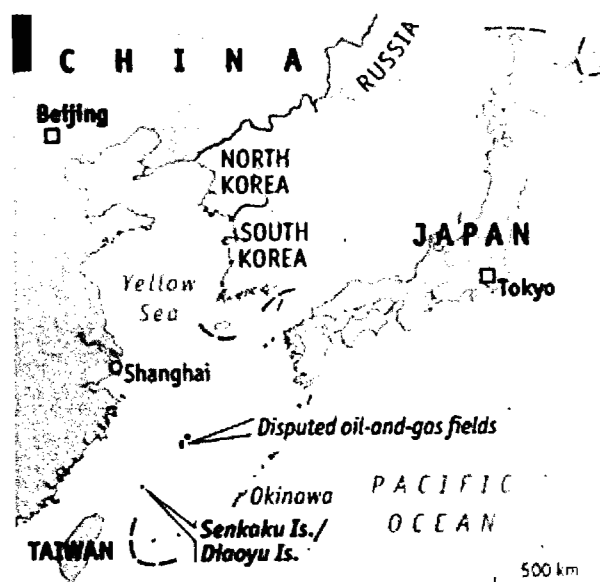
Source: IISS

§ Airborne warning and control system

Source: *The Economist*, April 7, 2012.

According to Japan's perception, China's military capability has been accelerated to a high level in the past decades, in ground forces, air forces and also navy. The PRC's naval forces has approximately 1,090 ships (including approximately 60 submarines), with a total displacement of approximately 1.35 million tons. Nowadays Chinese navy introduced modern Kilo-class submarines from Russia and its actively constructing new types of domestic submarines. Japan stresses the alarming situation that China expands and intensifies its maritime activities in recent

years. Especially advancements to the Pacific Ocean by the PRC naval surface vessels are being “routinely conducted.” According to the *Defense Annual of Japan*, a fleet of the record number of 11 Chinese vessels passed between the main island of Okinawa and the Miyako island, heading to the Pacific Ocean in June 2010.¹⁵ The Annual of Japan accused China of sending its vessels to conduct navigation operation within Japan’s territorial waters near the Senkaku (Diaoyutai) Islands. There was China’s fisheries surveillance ship “Yuzheng 201” collided with the vessel of Japan Coast Guard in September 2010, and more Chinese vessels again “intruded” into the Senkaku area. In February 2012, a survey vessel of Japan Coast Guard conducting a maritime survey in “Japan’s exclusive economic zone (EEZ)” was allegedly stopped the activity by the Chinese “Haijian 46” and the “Haijian 66” that belonged to the PRC’s State Oceanic Administration (SOA). All in all, Japan feels that the PRC’s naval activities near the Japan claimed area has been speedily increased and that it is necessary that it should be reminded of China’s posing a threat to Japan’s maritime security.



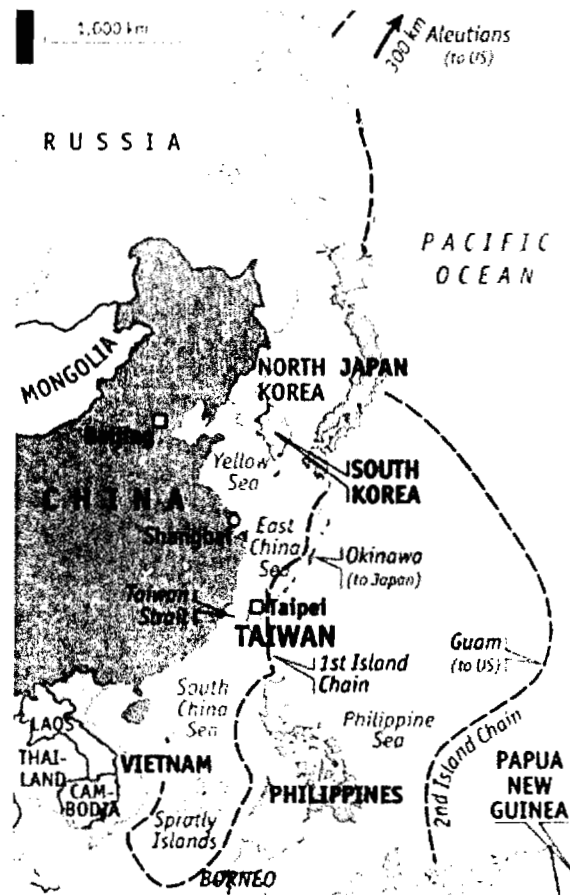
Map 1: The Sino-Japan Disputed Maritime Area
Resource: *The Economist*, July 14, 2012.

In fact, Japan’s worry about the PRC’s naval expansion in the East China Sea has been deeply-rooted for the Sino-Japan protracted conflict on the adjacent oil-and-natural gas fields in the East China Sea, and their clashes on the Diaoyutai (Senkaku) Islands, where China, Japan and Taiwan claim to have sovereignty on the islands. The territorial dispute among them, especially between China and Japan has been so imperative has been due to their struggle for the underground resources near the Diaoyutai Islands. The confrontation has been worsened due to some recent development caused by the provocations from the Japanese side. Shiintaro Ishihara, the incumbent Tokyo Mayor announced his drive to purchase the Diaoyutai Islands and he started fund-raising movement so as to arouse the rightist Japanese sentiment. Ishihara’s mentality has simply been to ridicule and weaken Yoshihiko Noda’s position as the current Primer Minister. To compete with Ishihara, Noda went further in announcing cabinet’s decision to “nationalize” the Senkaku Islands, which vehemently provoked the anti-Japanese sentiment across China. It is a reminder of

¹⁵ Defense Department of Japan, *The Defense Annual of Japan*, 2011.

how a “barren group of disputed rocks could upend pain-staking progress in the difficult relations between Asia’s two biggest powers.”¹⁶

Another reason for Japan’s uneasy has been Japan’s stick to the US-Japan alliance that primarily on “containing” the PRC. Based on the consensus between Tokyo and Washington, there exists two “Island Chains” in defending their joint interests in the Pacific Ocean. The first Island Chain starts from Japan’s territory *per se* and southward to Ryukyu Islands, Senkaku Islands, east rim of Taiwan, till the northern and western Philippines. The islands constructing the first Island Chain means the first front of the Japan-US defense shield starts here. Regarding the second Island Chain, it connects Japan’s Hongshu and forwards southeastern till the American Guam and all the way to the western part of Australia. To the United States and Japan, it is imperative to “contain” China from entering into the Pacific Ocean so as to maintain the hegemonic dominance of their alliance. The PRC of course will deny the existence of such “Island Chains,” and will challenge to break through both of them. If the PRC Navy should adopt a “Blue-Navy” Doctrine, conflicts between China and the US-Japan maritime fortress tend to be inevitable. Any tension, military clash, or armed conflict caused will no doubt be detrimental to the peace and stability in this area. Map 2 will help to illustrate this strategy.



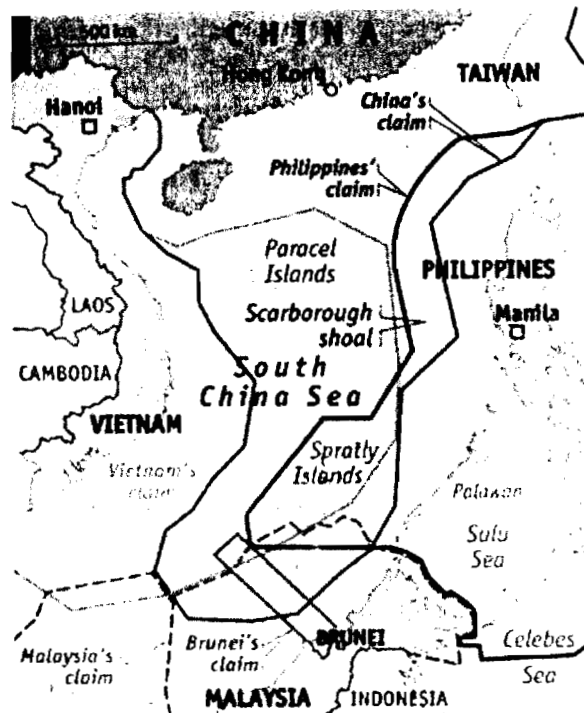
Map 2: The 1st and 2nd Island Chains
Source: *The Economist*, April 7, 2012.

¹⁶ “Japan and China: Barren Rocks, Barren Nationalism,” *The Economist*, August 25, 2012., <http://www.economist.com/node/21560882> ; See also “Japan and China: Relations on the Rock,” *The Economist*, August 25, 2012, <http://www.economist.com/node/21560893>

The PRC's Navy presence in the South China Sea has been another concern of the Asiatic countries. According to the Japanese perspective, China is intensifying its activities in the South China Sea area, including the Spratly Islands and Parcel Islands, over which the PRC's Navy is engaged in territorial disputes with neighboring states, including some ASEAN countries. In recent years, it is said, there has been growing friction between China and its neighboring countries over the South China Sea, as illustrated by Vietnam and the Philippines against China's activities in these waters.¹⁷ In recent months, the PRC's territorial disputes with both Vietnam and Philippines were particularly acute. Vietnam claims the Paracels, from which it was evicted by China in 1974, as well as the Spratly chain further to the south. In the south both overlaps extensively with the exclusive economic zone the Philippines claims under the United Nations Convention on the Law of the Sea (UNCLOS).¹⁸ Further complicating situation is that both Malaysia and Brunei have smaller territorial claims. The most serious confrontation has been between China and Philippines over the *Huangyan* Island (also known as Scarborough Shoal), both of them sent armed patrols and fishing boats there as token of confrontation, but finally retreated. Tensions in the South China Sea tend to be on an off-and-on basis and could be resumed any time soon. This confronting situation also causes an unstable environment that both ASEAN countries and the United States have tried to play as coordinating and mediating roles. Instead, China blamed the United States for encouraging—and even instigating—more aggressive approach from both Philippines and Vietnam, given that the United States has had maritime military maneuvers with Philippines and closer ties with Vietnam. China's officials and public opinion are particularly indignant to Washington's posture regarding China's stance over the South China Sea and also strong oppose the American intervention into the dispute issues. It is therefore this area has become one of the most complicated and dangerous areas in the world. Map 3 helps to demonstrate the situation in the South China Sea and the geostrategic position of claimants, and their claiming areas.

¹⁷ Defense Department of Japan, *The Defense Annual of Japan*, 2011.

¹⁸ "The South China Sea: Troubled Waters," *The Economist*, August 6, 2012.

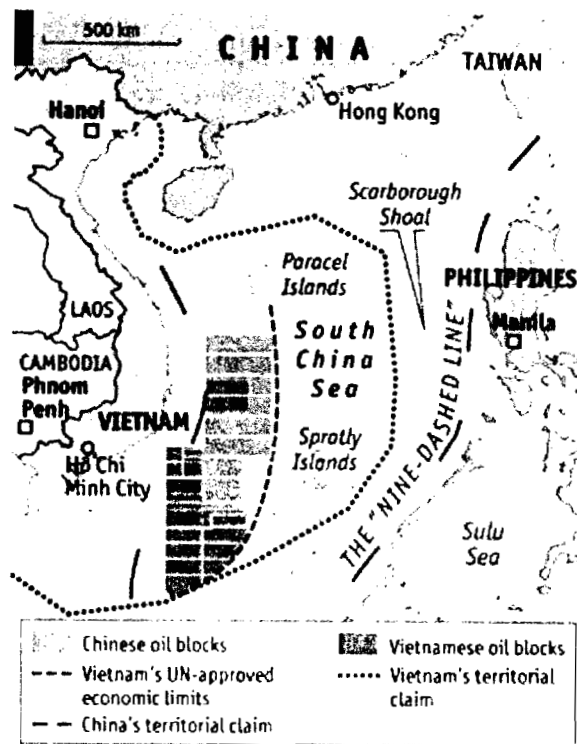


Map 3: The South China Sea Claimants

Source: *The Economist*, August 6, 2012.

Map 4 goes further to show how new tension has arisen in between China and Vietnam. In recent months the two countries stepped up their sparring over archipelagos and oil rights nearby, even dropping hints of military revolve to back their rival claims. Among them one can see Paracel Islands and Spratly Islands, some of them occupied by either of China and Vietnam, respectively. The maritime conflicts are more than imminent in the southern parts of the Sea, where both China and Vietnam claim that they have sovereignty over the area. Especially there exists a bigger possibility of conflict in their already-established oil blocks, some of them are mutually overlapped again. The risk is, however, all those China-owned oil blocks have been within the alleged Vietnamese EEZ, but denied by China. China maintains those oil blocks are within what Beijing's claim as the traditional "Nine-Dash Line," the boundary of Chinese territorial water. Situation has been multiply complicated if added China-Philippines disputes over the *Huangyan* Island (or Scarborough Shoal), since the place are claimed by Beijing and Manila, and even not far away from boundary of the Vietnamese claimed area. If there should be armed conflicts in these areas, free navigation or safe passage of international voyages will be highly impossible. A revival of the old animosities between them could open huge rifts within the region.¹⁹ This trend has alarmed countries in this area, including the potential intervention of Washington. The responsibility falls especially into the shoulders of the disputing countries, but in the meantime it will affect the benefit of all Asia-Pacific countries, given the facts that their commercial interests and security concerns are mutually intertwined.

¹⁹ "South China Sea: Roiling the Waters," *The Economist*, July 7, 2012.



Map 4: The Sino-Vietnam Disputed Area
Resource: *The Economist*, July 7, 2012

IV. Cooperation or Competition: Role of the ROC

The Republic of China (Taiwan), was once one of the American allies in Asia and a formidable supporter of Washington's containment policy defending the Communist expansion during the Cold War era. Taiwan was praised by Douglas General MacArthur as the "unsinkable aircraft carrier," meaning he imagined Taiwan as the greatest of the navy's offensive weapons—the aircraft carrier, from which the anti-communist forces could be launched from the unsinkable island flattop just 120 miles off the coast of mainland China.²⁰ To attain the objective, Taiwan's defense became truly defensive in character, and the key to defend is control of the sea and air.²¹ Taiwan, with the US support, not only could defend itself, but also contribute to the security of the Asia-Pacific, including the security of the SLOCs, during the Cold War.

The United States switched its diplomatic recognition from Taipei to Beijing in early 1979, paving to Taiwan's hardship in self-defending, although the United States erected the Taiwan Relations Act (TRA) as the basis for consecutive nonofficial ties with Taiwan. Based on the TRA, the United States took notice that Taiwan's security as imperative and China's threat or use of threat as "grave concern." According to the TRA, the United States has to provide Taiwan with necessary defensive weapons to defend itself when encounters Beijing's intimidation. With its 23 million of

²⁰ Robert Green, "Aircraft Carrier," *The Unsinkable Aircraft Carrier*, May 1, 2005, see <http://www.taiwanreview.nat.gov.tw/fp.asp?xItem=1080&ctNode=1366>

²¹ *Ibid.*

citizens (ranked as the world's 50th) and 36,000 square kilometers of land (ranked as the world's 137th), has now become one of the leading democratic and prosperous countries in the Asia-Pacific. After series of diplomatic setbacks caused by Beijing's blockade, the ROC maintains diplomatic ties with 23 countries nowadays, although most of them small and peripheral. The ROC, however, still preserves robust nonofficial relations with most countries and keeps embassies or representative offices in more than 160 countries. Besides, the ROC continues to respect the international laws and tries hard to fulfill its obligations as the one of the constructive forces in the region, albeit the ROC is not in most international organizations..

Besides its being a contributor, the ROC has also been the beneficiary of a post-WWII peace and prosperity in East Asia. Speedy economic development could be found in the island, and democratic government fortified. Taiwan's gross domestic product (GDP) has been lifted up to the number 19 in the world based on the Purchasing Propensity Power (ppp), its total trade volume has been within the top 30 largest country in the year of 2011. With its being wealthy country, Taiwan is one of the most important *pro-status quo* and peace-oriented countries in this region. Taiwan's active international trade with mainland China, Japan, the United States, South Korea and the ASEAN countries are promising and continuously accelerated. China is the number one trade partner of Taiwan, with Japan, the United States, Hong Kong, Singapore, and South Korea, follow after. It is thus obvious that Taiwan is a supportive force to a stable and peaceful SLOCs that connecting trading partners and leading to prosperous trade.

Taiwan is in such an important location that connects both a totalitarian China and democratic and opened western world, in which Taiwanese businessmen play as crucial roles in facilitating the China's open-and-reform policy adopted since late 1970s and as the catalyst brought about the speedy economic growth in China. Taiwan also proposes amicable bilateral relations with the mainland since Ma Ying-jeou took over power in 2008, when he announced the idea of "pragmatic diplomacy" and "diplomatic truce" in inviting China's reciprocity for stabilized Taiwan Strait. Due to the better bilateral ties between the Taiwan Strait, the world gets relieved because Taiwan Strait is not a risky flashpoint with high conflict potential any more. At this backdrop, China will have better environment of economic development and better chance sticking to the world's right track.

Taiwan is also in the position that connecting the Northeast and Southeast Asia—i.e., the influx of the Northeast and Southeast Asian powers. Judging from the lengthy archipelago and island arc from Indonesian Sumatra, Singapore, Malaysia, Philippines all the way to Japan's Hokkaido, Taiwan is just in the middle of the chain. The security of SLOCs from Strait of Malacca, South China Sea, East China Sea till the Sea of Japan, one of the most important line transporting oil and energy from the Middle East to Pacific area, and Asia's merchandises back to West Asia and Europe, can be crucial to the world trade and regional security. No matter how the ships will go—either choose to navigate through the Taiwan Strait or en route east of Taiwan—the ROC has the leverage to control their mid-ways of maritime navigation. There are numerous air navigations pass through the Taiwan's air space each single day, making Taiwan the busiest stopover point in Asia. This shows that Taiwan's pivotal position in international security leading to the 21st century.

In South China Sea, the ROC has been one of the claimant countries—it has proposed the territorial waters ever since 1947, far much earlier than the establishment of the PRC and the independence of the most Southeast Asian countries. So far the ROC still effectively owns the *Taiiping* Island of the Spratly, the largest island in that specific region. The ROC has been the most conspicuous claimant upholding peaceful resolution of the territorial disputes and better cooperation that conducive to the regional stability. Also, unlike other claimants in the South China Sea, which send troops to the offshore islands, the ROC government only sends Coast Guard patrols there at the *Taiiping* Island. This has been a token and gesture of peace and goodwill not to be provocative but not yet reciprocated by the neighboring countries. Many commentators in Taiwan's mass media have strongly demanded that the government shall dispatch Marines, instead of just Coast Guard members, if the confrontation in the proximate area deteriorated.

The ROC government has well perceived that since the inception of the new century, conventional military security issues of the Asia-Pacific region have been replaced by the threat of the PRC's military expansion, conflicts on the Korean Peninsula, disputes over the maritime rights and sovereignty in this region, and proliferation of weapons of mass destruction. Regarding the unconventional issues, international terrorism, food and water resources, economic security, energy security, infectious diseases, climate anomalies and major natural disasters, disputes over surrounding sea areas and maritime safety, and all such issues require joint efforts of Asia-Pacific countries to cooperate for final resolution.²² Regarding its role contributing to the regional stability, the ROC also focuses its functions in "participating in regional defense and security dialogues," "jointly protect regional sea and aerial lines of communication," and "participating in regional counter-terrorism and humanitarian relief efforts" so as to play as key role in facilitating regional stability.²³

Regarding the current unstable conflict in the South China Sea and East China Sea, one can see that the PRC has both deeply involved. The PRC has been heavily criticized by both some ASEAN countries and Japan, making their mutual trust and collaboration very dim. Under these circumstances, new rounds of armed conflicts in both areas may not be excluded. Knowing this, the ROC's President Ma Ying-jeou announced his "*East China Sea Peace Initiative*" in response to the impact that the Diaoyutai Islands dispute could have on stability in Northeast Asia. President Ma urged all sides with an interest in the issue to: refrain from taking any antagonistic actions; shelve controversies and not abandon dialogue; observe international law and resolve the disputes through peaceful means; and seek consensus on a code of conduct in the East China Sea. Lastly, Ma called for a mechanism under which resources in the East China Sea can be explored and developed on a cooperative basis.²⁴ President Ma emphasized that the ROC adheres to the provisions in the Charter of the United Nations that call for the peaceful resolution of international disputes, and has therefore consistently advocated handling the issue of the Diaoyutais in accordance with the principle of "safeguarding

²² "Asia-Pacific Security Trends," *Republic of China: National Defense Report 2011*, pp. 39-50.

²³ "Defense Strategy Objectives," *Republic of China: National Defense Report 2011*, pp. 102-107.

²⁴ Ma Ying-jeou, "Cooperative Development through the East China Sea Peace Initiative," Website of Office of the President, Republic of China (Taiwan), see <http://preidcent.gov.tw/Default.aspx?tabid=1124&itemid=27920&rmid=3048>

sovereignty, shelving disputes, pursuing peace and reciprocity, and promoting joint exploration and development.” Ma stressed the reason for his initiative was he felt that the dispute in Diaoyutais could lead to uncertainties with regard to peace and security in the East China Sea.²⁵

Ma’s initiative is reminiscent of the “Code of Conduct on South China Sea” reached in 2002. China and the ASEAN countries signed a code at the end of the 6th China-ASEAN Summit (10+1) with an aim to maintain peace and stability in the South China Sea. In the declaration, China and ASEAN recognized the need to promote a peaceful, friendly and harmonious environment in the South China Sea, and reaffirmed their commitment to purposes and principles of the Charter of the United Nations, the 1982 UN Convention on the Law of the Sea, the Treaty of Amity and Cooperation in Southeast Asia and the Five Principles of Peaceful Coexistence. They also stressed the determination to seek a peaceful settlement of the disputes over the South China Sea through friendly coordination and negotiation and added that the parties concerned undertake to exercise self-restraint in the conduct of activities that would complicated or escalate disputes and affect peace and stability.²⁶ The Code has been there for almost ten years, but it has not yet been transferred to be a binding agreement dealing with the current upheaval. Beijing has been reluctant to deal with ASEAN collectively on the issue and instead it wants the matter discussed bilaterally, while the United States expressed Washington’s willingness to help craft a new code.²⁷ Although the ASEAN foreign ministers met in July 20 of 2012 in proposing the “early conclusion of a Regional code of conduct” with China, they however could not reach consensus in how and when to talk with Beijing.²⁸ Ma’s initiative is not a copy of the Code, but Ma in fact has invited echo from international community. The editorial of the *Japan Times* proposed that Japan pay serious attention to Ma’s proposals and “seek ways to utilize them to start constructive dialogue with China and Taiwan to prevent future clashes over the Senkakus and to nurture peaceful ties.”²⁹

What can the ROC do to cooperate with its adjacent countries and contribute to the security of the SLOCs? The ROC can continue its efforts of search and rescue in the Taiwan Strait, prevention and curtailing over the maritime criminals including illegal refugee and narcotics trafficking. Also, the ROC can help to accelerate the frequency and quality of the interflow for joint jurisdiction over criminal activities, promotion of maritime stability via *modus vivendi* that agreed by the concerned countries. The ROC government can uphold President Ma’s “*East China Sea Peace Initiative*” more applicable and operational, and make it more persuasive to China, Japan and even South Korea. The ROC’s navy can be deployed in the SLOCs not for competing with others, but to make sure that the tension can be eased, free navigation and maritime security can be assured.

²⁵ *Ibid.*

²⁶ “China, ASEAN Sign Code of Conduct on South China Sea,” *People’s Daily*, November 5, 2002.

²⁷ “US willing to help craft a South China Sea code of conduct,” *Taipei Times*, October 5, 2010.

²⁸ Rodolfo Severino, “Toward a code of conduct for the South China Sea,” East Asia Forum, August 11, 2012, see <http://www.eastasiaforum.org>

²⁹ “Nationalism over the Senkakus,” *The Japan Times*, August 25, 2012.

V. Conclusion

It is true that, for the past decades, the Asia-Pacific area has had outstanding economic performance if compared with rest of the world. After the American financial tsunami in 2008 and the European debt crisis, some of the Asian economies, including China and other export-oriented counties, also suffered from the sudden frustration caused by the stagnation. The difficulties afflicted by the respective government would possibly bring about serious challenges to the regional stability if radical nationalistic sentiment should be arouse, it doesn't need to mention those regimes often manipulate populism as means to divert pressures those leaders confront domestically. Due to this reason, an unstable Asia-Pacific can be seen in recent months, or even years to come. If conflicts driven by radical sentiment should not be curtailed, threat to the SLOC security will be imminent, and no one country can be immune of the damage. Asia-Pacific is also the place that most SLOCs concentrate, many of them have to pass through the most crowded, pirated, and unstable areas, making them usually extremely vulnerable to the abrupt interference. Asian economies also greatly hinge on the security of those SLOCs, therefore, it is imperative to manage well the existence and operations of peaceful SLOCs with joint efforts.

Threats to the SLOCs in the Asia-Pacific region can be divided into both conventional and unconventional ones, with the former much more appalling. To most of the practitioners, it is much easier to deal with unconventional threats like pirates, illegal immigration and refugees, and some other irregular criminal activities, but instead they are prone to think extremely thorny to solve the conventional issues like territorial disputes, deep-rooted hatred stemmed from traumatic history, radical nationalistic sentiment, and the ongoing confrontations. Non-conventional issues are usually non-zero sum problems and they can possibly be resolved by consultation and cooperation since all concerned will be hurt if not satisfactorily dealt with. The conventional disputes like Sino-Japanese, and Sino-Vietnamese, Sino-Philippine conflicts on ground or maritime territories are usually zero-sum confrontation and may not be easily solved by simply consultation or negotiation. Clashes regarding these will highly possibly sparkle into large scale of armed conflicts should they be out of control. Any pair of nations should have a second thought should they resort to force in dealing with their competition. Security of the SLOCs there are much more fragile given this complicated environment.

The Republic of China locates in a pivotal point of land that connects the Northeast and Southeast Asia and is the center of the arc of archipelagos and islands from Sumatra up to the Hokkaido, and has been eager to contribute itself to the international security. Taiwan served as the linchpin of the pro-democratic camp and "unsinkable aircraft carrier" during the Cold War era, but it further serves as the stabilized, contributor, and initiator of the regional peace and cooperation with its economic and military gravities. Taiwan does not have to use its military power, it is instead that Taiwan is very willing to use its "soft power" to provide as an example joining in the peace operation. President Ma Ying-jeou's most current "*East China Sea Peace Initiative*" has been only one of the many efforts in contributing to the peace and stability in the Asia-Pacific. Another achievement made by President Ma has been his China policy based on "No Unification, No Independence, No Use of

Force” and “Diplomatic Truce” as the guideline managing the bilateral relations with the PRC. To ameliorate relations with China and finally leading to the process of confidence-building measures, rather than to provoke Beijing for sake of populism, will be conducive to the improvement of Taipei-Beijing relations. At this backdrop, the SLOCs along the Taiwan Strait and adjacent area will be tranquilized.

To all Asia-Pacific countries, there exist both opportunities as well as challenges in the years ahead. The opportunities mean that the prosperity and stability in the Asia-Pacific region will be the precondition for a safer world, and that the security here will deserve more attention and more resource to help to solidify. The challenges, on the other side of the same coin, will be that some thorny problems may not be resolved overnight, and that many of the world SLOCs concentrating in the region need more patience for the diversities caused by inconvertible national interests. The ROC has an indispensable member of this region. The ROC is also ready to actively participate into contribution and service, the ROC thus deserves trust and welcome into the great efforts searching for the perpetual peace and stability in the Asia-Pacific region.