

Briefing Memorandum

ASEAN and the South China Sea: Focusing on the first half of 2011

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In recent years, territorial disputes in the South China Sea have been attracting attention as a security issue of Southeast Asia. This is because China has again been actively engaged in the South China Sea. China actively entered the South China Sea during the 1980s and 1990, causing friction with some of the Southeast Asian nations mainly over territorial rights concerning the Spratly Islands. ASEAN and China subsequently worked to resolve the dispute peacefully, and in 2002 they signed the Declaration on the Conduct of Parties in the South China Sea (DOC). Today, ASEAN is in ongoing talks with China regarding the setting of a legally binding "code of conduct".

Against this background, in 2007 China again began strongly claiming territorial rights throughout the South China Sea area. The Chinese government declared that the region belongs to a sovereign "vital interest" of China. This created a concern among other interested nations. China has also been increasing its naval power and naval law-enforcement power in the South China Sea. In particular, it has been sending fishery patrol ships to the vicinity of the Parcel Islands. This has caused increasing concern among ASEAN nations that claim their own territorial rights. In 2010, the US also began showing a stance of active involvement in the South China Sea issue. The issue has once again become a matter of attention not just for China and ASEAN, but for the security of the entire Asia-Pacific region. Vietnam has a complex historical and political relationship with China and has the largest interests in the South China Sea of any ASEAN nation. In 2010, as ASEAN chair, it worked to "internationalize" and "multilateralize" the South China Sea issue. It strove to place the issue on the agendas of ARF, ADMM Plus, and various other ASEAN-related meetings.

During 2011, the Philippines and Vietnam, which claim territorial rights in the South China Sea, and ASEAN chair Indonesia have continued an approach of using ASEAN frameworks to address the issues. In recent years, political, economic, and military relations between ASEAN and China have deepened. Therefore some of the members of ASEAN do not want to simply confront China over the South China Sea. Even as they maintain basically cooperative relations with China, the ASEAN nations are attempting to increase their negotiating power by discussing the South China Sea issue with China within the framework of ASEAN-China dialogue. They are also seeking peaceful resolution by sometimes requesting "appropriate" involvement by the US and other eternal powers in venues for multilateral security dialogues.

On March 2, 2011, a Philippine oil exploration ship in the vicinity of the Spratly Islands was

harassed by Chinese patrol vessels. Since that incident, the Philippines have become active in diplomacy regarding the South China Sea. That same month, President Aquino visited Indonesia and Singapore. In addition to discussing the issues with the heads of both nations, before visiting them he spoke of the possibility of joint development of the South China Sea by the ASEAN member nations. On April 5, the Philippine government submitted to the UN its objection to China's claim of territorial rights over the entire South China Sea area. Before the ASEAN summit in early May, the Philippine Foreign Minister indicated that President Aquino would seek steady and full implementation of the DOC. The military also took steps to strengthen its defense of the country's area of control in the South China Sea, including establishing radar sites, repairing airfields, and dispatching large patrol ships.

Vietnam considers the South China Sea as one of the most important security issues. In fact, during 2011 as well, there have been a number of incidents that have increased Vietnam's concern about China. These include China issuing unilateral fishing ban, quarrel with China over fishing area, and interference by a Chinese patrol ship with a Vietnamese oil exploration vessel 120 nautical miles off the Vietnamese coast. The political report of the 11th National Congress of the Communist Party of Vietnam, held in mid-January 2011, mentioned "the linkage of economic development and strengthening national defense and public order capabilities, especially the defense of strategic areas such as territorial waters and islands" as unresolved security issues. The report further referred to "defense of the sovereignty of territorial waters, national borders, and airspace" as one of the policies for strengthened national defense, implying the importance of the South China Sea. In light of the previous attitude of the Communist Party and government of Vietnam, one of consideration for China and emphasizing improved relations, this indicates a subtle shift away from concern for China and towards an emphasis on the South China Sea issue. Moreover, Vietnam is showing a cooperative stance with the Philippines, which has begun making more open claims against China regarding the South China Sea. On April 5, Philippine Foreign Secretary Albert del Rosario visited Vietnam. The two countries agreed on the need for peaceful discussion by the countries involved in order to resolve the issues. At the ASEAN summit meeting in May, Prime Minister Nguyen Tan Dung had an unofficial meeting with President Aquino. They discussed how to ease tensions over territorial rights in the South China Sea.

In 2011, the new ASEAN chair, Indonesia, continued the policy of the pervious chair, Vietnam, actively attempting to discuss the South China Sea in multilateral frameworks including talks between ASEAN and China. In an interview with the *Asahi Shimbun* on February 16, President Yudhoyono clarified his intention to persuade China to participate in multilateral discussions of the South China Sea issue. He said that he intends to bring up the issue at the East Asian Summit scheduled for October. In addition, Foreign Minister Marty Natalegawa called for an "ocean forum" to discuss maritime issues in East Asia and for the early setting of a code of conduct. In such ways,

the Indonesian leadership has spoken repeatedly about the South China Sea.

In regards to such moves by ASEAN countries, China has not budged on its stance of negotiating only bilaterally with relevant countries over the South China Sea issue. While on the one hand China has revived its "smile diplomacy" that emphasizes the building of mutually beneficial relations mainly through economic cooperation and aid, on the South China Sea it is actively engaged in a diplomatic offensive to avoid talks between China and ASEAN or through other multilateral channels. In late April, right before the ASEAN Summit, Premier Wen Jiabao visited Malaysia and Indonesia. In an interview with a leading Malaysian newspaper, *The Star*, on April 25, just before his visits to the two countries, Premier Wen emphasized that territorial issues should be dealt with bilaterally. He indicated that he is against handling bilateral issues within a multilateral framework. During his meetings with the two heads of state, Premier Wen may have intensively lobbied for them to understand China's position on the South China Sea.

At the 18th ASEAN summit, held on May 7 and 8 in Jakarta, the section of the chair's statement addressing the South China Sea issue came about through an interesting process. The statement announced on the 8th said that those issues "are best handled bilaterally or among the countries involved." It was as if China's argument had been included in the document. No such expression appeared in the chair's statement from the 17th summit. According to a media report, it did not appear in the final draft of the chair's statement completed before the summit. It seems to have been hastily inserted sometime after completion of the final draft, perhaps during the actual summit. Moreover, in the final version that appeared on the website of the ASEAN Secretariat on the 11th, the wording was removed and replaced with "ASEAN and China will make further efforts." Reportedly, the change was made because Vietnam objected to the phrase "bilateral solutions."

To summarize the reports, the process went as follows. When Premier Wen Jiabao visited Malaysia and Indonesia, he lobbied to have China's argument included in the ASEAN summit chair's statement. Although at one point chair nation Indonesia accepted China's argument, Vietnam and other countries against bilateral talks subsequently objected, so the wording was revisited. It is quite conceivable that ASEAN member nations who have no interests in the South China Sea and are deepening bilateral relations with China (namely, Thailand, Myanmar, and Cambodia) would want to show understanding of China's position on the region. This also indicates that the claims of ASEAN member nations regarding the South China Sea issue are not uniform, and that it will not be easy to form a unified ASEAN stance for negotiations with China.

However, even though it seems that ASEAN cannot agree, as a body it is still managing to indicate that it is groping for a peaceful resolution of the South China Sea issue between ASEAN and China. The 5th ASEAN Defence Ministers Meeting (ADMM), held on May 19, 2011, again discussed the South China Sea, and its joint declaration called for steady implementation of the DOC and for an effort to adopt a code of conduct. In addition, Vietnamese Defense Minister Phung Quang

Thanh and Indonesian Defense Minister Purnomo Yusgiantoro met on the 18th, the day before the ADMM. The two countries agreed to cooperate towards early setting of a code of conduct.

China is currently separately lobbying Vietnam and the Philippines as well. China has reached agreement with Vietnam on guidelines for peaceful resolution of territorial disputes. In late May, National Defense Minister Liang Guanglie visited the Philippines and met with Defense Secretary Voltaire Gazmin and President Aquino. The two countries agreed to seek peaceful resolution of the South China Sea issues. In the face of China's diplomatic offensive based on bilateral relations, ASEAN nations are listening but playing the card of multilateral talks through various ASEAN councils in an attempt to gain any sort of advantage in negotiations with China. A series of ASEAN-related meetings and Asia-Pacific security talks are approaching, including the Shangri-La Dialogue in early June, the ARF Meeting in July, the ASEAN summit in October, ASEAN Plus, and the East Asian Summit. It will be worth watching to see whether the South China Sea issue will be discussed at those meetings, and if they make it onto the agenda, how they will be discussed. Furthermore, the actions of countries from outside the region, particularly the US, will be of interest.

The purpose of this paper is to respond to reader interest in security issues while promoting better understanding of NIDS. A "briefing," of course, is a background explanation. Our hope is that this paper will help readers to better understand the complex security issues. Note that the views expressed in this paper do not represent the official opinion of NIDS.

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