

## **Chapter 4**

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### **Southeast Asia: South China Sea Grows More Complicated**



During 2013, tension continued between the Association of Southeast Asian Nations (ASEAN) and China over territorial rights and maritime rights and interests in the South China Sea, and ASEAN efforts to find an answer to such issues also continued. The Philippines continued to have a tense relationship with China and appealed to the UN for clarified interpretation of the United Nations Convention on the Law of the Sea (UNCLOS). In addition, the Philippines also strengthened its security cooperation with the United States and Japan. Vietnam, another of the countries in dispute with China in the South China Sea, sought to maintain its relationship with China while also quietly pursuing enhanced security cooperation with Russia, the United States, and Japan, thereby seeking greater indirect restraints on China. For its part, ASEAN managed to move its efforts toward a “code of conduct” (COC) with China on the South China Sea as far forward as the start of formal consultations. In the September 2013 session, however, agreement was reached only on continuing the formal consultations; at present it is hard to predict when the two sides will be able to agree on the contents of a COC and bring it to reality, but assuming that a COC does materialize, it will most likely require much more time.

The ASEAN Defence Ministers’ Meeting (ADMM) made great strides during 2013 to consolidate its role. The ASEAN defense ministers agreed on setting up a logistical support framework for cooperation in humanitarian assistance and disaster relief (HA/DR) as well as peacekeeping operations (PKO), topics they had been promoting for a number of years. The ADMM-Plus, the expanded gathering of ASEAN defense ministers and other defense ministers from the region, decided to shorten the period between its meetings from three years to two; the defense ministers also agreed to reshuffle countries as joint chairs of the experts’ working groups (EWG) that are promoting practical cooperation in nontraditional fields and to add a sixth EWG for cooperation in humanitarian mine action. In the future, continuing attention will probably be directed at promoting and institutionalizing actual cooperation in the six fields covered by the EWG primarily through joint exercises and at the frequency of ADMM-Plus meetings.

Regarding the situations in the individual countries of Southeast Asia, the trends in ethnic minority issues and religious violence continued to attract attention in Thailand’s deep south and in Myanmar. The Thai government sought to resolve disturbances in its southernmost region by launching peace talks with an antigovernment group, but since the central government itself has at times

fallen into disruption, it remains unclear whether the talks can contribute to quelling the disturbances. Myanmar's "civilian" government, in trying to deal with its ethnic minority problems and sectarian violence, will probably experience a need for consistency in its policies and patience to apply them over time.

## **1. South China Sea: ASEAN's Responses Grow More Complex**

### **(1) The Philippines: Clearly Confronting China**

The tension over the South China Sea that has arisen in recent years between ASEAN and China became an even more complex problem during 2013. In particular, confrontation over these waters between the Philippines and China sharpened markedly. For two months beginning in April 2012, Philippine naval vessels engaged in a standoff with Chinese patrol vessels off Scarborough Shoal near the island of Luzon; both countries claim the shoal, but since then, it has effectively been controlled by China.

When tensions arose between the Philippines and China over the South China Sea, the Philippines at first sought to rely wholly on the ASEAN framework to conduct talks with China so as to lower the heat on the issue and move toward a solution. This approach, however, led to a confrontation at the July 2012 ASEAN foreign ministers' meeting between ASEAN chair Cambodia, which has strong ties to China, and fellow members the Philippines and Vietnam regarding a statement on the South China Sea. The result was the meeting's failure, for the first time ever, to agree on a joint communiqué, thus displaying the limits of ASEAN's ability to present a unified front on South China Sea issues. The Philippines has diversified its approach, continuing to work through ASEAN and in particular using diplomacy to promote the early conclusion of a legally binding COC between ASEAN and China, while at the same time trying a variety of other approaches to deal with China on its own, for example through application of international law and greater security cooperation with the United States and Japan.

The Philippines' first noteworthy approach was its resort to arbitration provided under UNCLOS. When two countries are party to UNCLOS, the convention provides a system for compulsory arbitration regarding interpretation and application of the terms of UNCLOS independent of either party's position. In January 2013, the Philippines lodged a plea with the United Nations under the

**Figure 4.1. Disputed claims in the South China Sea**

Note: \*Kalayaan, Palawan.

Sources: Compiled from various sources.

terms of Article 287 and Annex 7 of the convention. The plea sought clarification of the application and interpretation of provisions regarding the maritime rights of parties to this dispute, including China, as well as other signatories of UNCLOS, China's assertion of a "nine-dash line," and whether the features of the Spratly Islands correspond to the particular features that permit identification of a location as an "island" that can claim 12-nautical-mile territorial waters. In April the International Tribunal for the Law of the Sea accepted the Philippines' plea and set up a five-country panel of arbitrators. The following July the panel held its first session in the Hague, in August issuing its first procedural order which established a timetable for the arbitration as well as rules of procedure. Originally it was thought that a final decision would require three to four years, but since China has formally expressed its rejection of arbitration, some sources feel that a final decision might be reached more quickly.

The arbitration process does not require the assent of China as a party to the dispute, and further, the panel's decision is legally binding on China as a signatory to UNCLOS. In this sense, the Philippines made a clever decision in resorting to

UNCLOS as a means to deal with China, since Manila is at a disadvantage in terms of maritime self-defense capacity. Its legal action ties in with its insistence that South China Sea issues should be resolved fairly based on international law, a convincing argument from the standpoint of justice and fairness in the international community based on international law whether or not a country is a party to the dispute, and it can be expected to have a restraining influence on China's unilateral actions. At the same time, however, China has reacted to the Philippines' appeal with strong opposition, leaving the possibility that it will seek to expand its effective control over the situation even further through its physical and diplomatic might, including the navy and law enforcement agencies.

The Philippines' second approach has been to continue strengthening military cooperation under its alliance with the United States, which is in the process of rebalancing its stance toward the Asia-Pacific region. Specifically, this involves joint training exercises centering on the United States and the Philippines but including other nations as well, and bolstering the US military presence in the Philippines. The annual Balikatan ("Shoulder to Shoulder") multilateral exercise took place in April 2013 and was divided into a multilateral tabletop exercise in Manila, in which Japan and eight other countries also took part, and military field exercises by US and Philippine troops around the Philippines as well as civil support activities. The purpose of the field exercises and civil support activities was promotion of HA/DR, but they most likely had the additional purpose of displaying to China the close US-Philippine military cooperation against the backdrop of South China Sea tension. In fact, Philippine Secretary of Foreign Affairs Albert del Rosario's speech at the opening ceremony for the exercises linked the exercises and the situation in the South China Sea; while he did not specifically name China, he pointedly criticized how hard-line positions in the South China Sea had resulted in excessive and exaggerated maritime and territorial claims there which not only created uncertainty but also undermined the rule of law. In September, the United States and the Philippines conducted their annual Phiblex joint exercise at the Zambales naval base on Luzon's western coast facing the South China Sea, and 2,300 marines from the two militaries took part in amphibious landing exercises.

As the United States goes about rebalancing its approach to the Asia-Pacific, it will reinforce its military presence in the Philippines in particular by increasing the number of calls on Subic Bay, which faces on the South China Sea, by its

fighting vessels and by boosting its military assistance to the Philippines for 2014 almost 70 percent from 2013. The government of the Philippines has responded by increasing its facilities to accommodate the US military. It has made it known that it is considering building a new naval and air base for its own military on Subic Bay which the US military would also be able to use. The Philippines also stated its intention to make legal provisions for US forces' "increased rotational presence" (IRP) by opening consultations for agreement on a legal framework. The first round of consultations was held in Manila in August 2013, with a total of four sessions held through October. In these consultations, the two countries agreed that in keeping with the Philippine constitution, the US military would not have any permanent bases in the Philippines, that the US forces' use of military facilities in the Philippines would be based on approval from the Philippines government, and that the framework agreement would be carried out by the two countries' defense departments. Consideration was also given to setting up a mechanism for regular consultations to ensure effective application of the framework agreement. Domestically, the US military base issue of the 1990s still has an influence on the Philippine people, and there are still some of them who strongly resist any expansion in the US military presence there. The two governments will thus be keeping a close eye on public opinion and trends in the Philippine national legislature as they continue consultations on such details of the framework agreement as its period of effect. That is why both governments hope that the US military's immediate, large-scale disaster relief effort in the wake of typhoon Haiyan's massive damage to the central Philippines in November 2013 will spread an awareness of the effectiveness of IRP when humanitarian assistance or disaster relief is needed.

Third, the Philippines is strengthening its security cooperation with Japan. The enthusiasm that both governments have shown based on their shared strategic interests has brought rapid progress in their cooperative relationship. In particular, Japan's active approach since the installation of the second Abe administration has been clear. During the Abe government's first eight months alone, the Philippines received visits from Japan's foreign minister, the defense minister, and the prime minister himself. In January 2013, Foreign Minister Fumio Kishida visited the Philippines on his first official trip abroad, meeting with his Philippine counterpart. Both sides noted that they viewed problems in the South China Sea as being of international concern and requiring resolution based on international

law, and they agreed to strengthen their cooperation in maritime affairs. In June, Defense Minister Itsunori Onodera called on the Philippines for talks with Secretary of National Defense Voltaire Gazmin, wherein the two parties agreed to promote maritime defense cooperation and support capacity building for HA/DR, as well as to promote cooperation between Japan's Air Self-Defense Force and the Philippine Air Force in the areas of flight safety, air rescue, and aviation medicine. Prime Minister Abe also visited the Philippines in July. During his talks with President Benigno S. Aquino III, Prime Minister Abe announced that Japan would fulfill the Philippines' long-standing request by providing ten patrol boats as official development assistance (ODA). The two governments further agreed to increase concrete forms of cooperation in maritime affairs such as joint practices by their two defense establishments and marine safety agencies. Typhoon Haiyan caused massive damage to the central Philippines in November, and the Japanese government responded immediately by dispatching an international emergency medical relief team and Self-Defense Force (SDF) units. This SDF dispatch was the largest in history, some 1,200 troops, and they engaged in infectious disease prevention, transport of relief supplies, and rescue activities.

The Philippines has welcomed Japan's active approach and hopes for even greater cooperation in security affairs. In June, the Department of National Defense announced agreement on setting up a working group to explore the possibility of a status of forces agreement that would permit SDF units to engage in joint training exercises in Philippine territory. This rapid pace of development of security cooperation between the Philippines and Japan suggests that even greater cooperation may be possible between these two US allies.

According to Philippine sources, China continued to apply military and diplomatic pressure. For instance, after doing the same in Scarborough Shoal, China dispatched Coast Guard patrol boats and naval vessels to Second Thomas Shoal, part of the Kalayaan Islands near Palawan Island. In September 2013, during the ASEAN-China Expo held in Nanning, China also seems to have made withdrawal of the Philippines' appeal to the UN a condition for allowing President Aquino to be present. The Philippines has found its naval and coast guard facilities and limited capacity sorely tried by China's activities. It is thus likely to continue to resort to such approaches as the international legal system and bilateral security cooperation with the United States, Japan and a number of countries as sources of, for example, support for improving its maritime defense capacity, as well as



bilateral diplomacy and the multilateral framework of ASEAN, in its attempts to deal with China. But while heightened cooperation with Japan and the United States can be expected to have a restraining effect on Beijing, such efforts simultaneously present the risk of goading China into even greater confrontation.

## **(2) Vietnam: Promoting Diversified Military Diplomacy**

Tension continues between Vietnam and China over territorial rights and maritime rights and interests in the South China Sea. At the beginning of 2013, Vietnam insisted that China was engaged in a rapidly growing number of intrusions into Vietnam's territorial waters by Chinese fishing craft and research vessels, sending such vessels into waters off Vietnam's south-central coast, which Vietnam claims as its own. As the year moved on, there was no shortage of South China Sea incidents between the two countries, as Chinese harassment of Vietnamese fishing boats continued in March as fishing craft were chased and fired upon by Chinese naval vessels, and in April, with China creating a test case by sending a tourist group to the Paracel Islands, claimed by Vietnam as its own territory, and inviting Vietnamese objections.

It would be misleading, however, to think that overall Vietnamese-Chinese relations can be judged by the tensions over the South China Sea, or that this colors the future of the bilateral relationship as a whole in all its complexity, Vietnam's position toward China, and Vietnam's dealings with the South China Sea. Although the two countries' foreign ministry spokesmen break into a duel of criticism and condemnation every time an incident occurs, compared to the Philippines, Vietnam has more varied and ongoing channels for dialogue with China through their Communist Parties, the two governments, and the two militaries, and the level of tension in overall Sino-Vietnamese relations can be seen as relatively lower than in the Philippines' relationship with China. In other words, Vietnam has a long and deep relationship with the "Giant to the North," through which Vietnam has experienced both friendship and confrontation, both stability and change. This means that Vietnam will seek to avoid any crucial confrontation in dealing with South China Sea issues and with China.

On a number of occasions, Vietnam has expressed a willingness to cooperate with the Philippines on South China Sea issues, and the two countries are in engaged in consultations. Vietnam has also given its support to the Philippines' decision to resort to arbitration, saying that it had the right to select peaceful



**Japanese Minister of Defense Onodera visiting Vietnam (September 15–18, 2013, Vietnamese Navy's Fourth Fleet headquarters in Cam Ranh Bay)** (Japanese Ministry of Defense photo)

means to bring an end to the dispute in keeping with UNCLOS and other international laws. Nevertheless, it has shown no intention of resorting to arbitration itself. At the May 31–June 2, 2013, session of the IISS Asia Security Summit (Shangri-La Dialogue), Prime Minister Nguyen Tan Dung gave the keynote address and cited nurturing “strategic trust” as a key to peacefully resolving problems

through international law and multilateral cooperation. The Shangri-La Dialogue is basically a framework for dialogue among at the defense-minister level, but the fact that the Vietnamese prime minister would attend and explain his country’s position toward issues in the South China Sea can be viewed as a clear indication that the Vietnamese government is strongly interested in resolving these issues multilaterally. A further point worth note is that beginning in 2013, Le Luong Minh, Vietnam’s former ambassador to the UN, was appointed ASEAN secretary-general. In an interview at the time of his appointment, Secretary-General Minh stated that the most important topic of his tenure would be promotion of consultations with China aimed at concluding a COC, and the Vietnamese government is likely counting on the secretary-general’s coordinating capacity and administrative skills to link Vietnam’s strategic interests and ASEAN’s South China Sea policies.

In addition to its use of a multilateral approach centering on the ASEAN framework, Vietnam is also trying to deal with South China Sea issues by applying diversified diplomacy in its various bilateral relationships, seeking to build up stable relationships with all the countries concerned, including China. Regarding security matters, Vietnam’s targets for its diversified “military” diplomacy are the major players in the Asia-Pacific region, including the United States, Russia, Japan, India, and China. In 2013, Vietnam again sought to maintain and strengthen its cooperative security relationships with these countries.

During 2013, Vietnam in particular sought to strengthen military cooperation with Russia. Russian Defense Minister Sergei Shoigu called on Vietnam in March

2013 and in addition to visiting the Vietnamese naval base at Cam Ranh Bay, Shoigu also met with President Truong Tan Sang and Minister of National Defense Phung Quang Thanh. The two defense ministers reached basic agreement on instituting an annual dialogue at the vice ministerial level and also agreed primarily on Russian support for human resources development in the Vietnamese Navy. It was also clear that Russia was to play a major role in developing the facilities at Vietnam's strategically vital Cam Ranh Bay naval base. More specifically, Russia was to contribute to construction of submarine crew training facilities in the vicinity of the naval base as well as construction of facilities in the Cam Ranh Bay logistical region for companies tied to the Vietnamese Navy, including those for ship repair. During an August visit to Russia by Defense Minister Thanh, it was also noted that discussions were under way with Russia regarding Russian naval vessels calling on Cam Ranh Bay for maintenance, following the similar arrangement for the United States. Vietnam is thus strategically seeking to quietly ensure a US and Russian naval presence by facilitating their visits to Cam Ranh Bay for maintenance activities outside of the Vietnamese naval base itself. Russian cooperation regarding submarines included November's formal transfer to the Vietnamese Navy at the Russian naval shipyards in St. Petersburg of the first *Kilo*-class submarine contracted for in 2009. This vessel arrived at the Cam Ranh Bay naval base in January 2014.

Vietnam also sought to increase security cooperation with Japan, the United States, and India as part of its diversified military diplomacy. Japan's defense cooperation with Vietnam has steadily grown in recent years, including cooperation on maritime security. Prime Minister Abe's first foreign visit after assuming office in January 2013 was to Vietnam, and at that time he made clear that Japan shared with Vietnam the view that the rule of law, including international law, was most important for the situation in the South China Sea. In May a seminar was held in Vietnam on submarine medicine as part of the Ministry of Defense's capacity building support activities, and in addition, training on this subject was provided in late September to Vietnamese naval personnel at Maritime Self-Defense Force units and facilities. At mid-September, Defense Minister Onodera paid a courtesy call on Prime Minister Dung and also held talks with Defense Minister Thanh. In those talks, the two countries showed a shared awareness of the importance of peacefully resolving maritime issues based on international law and agreed to further their interchange in the area of defense. Onodera also visited

the Vietnamese Navy's Fourth Fleet headquarters in Cam Ranh Bay and inspected the Navy's setup for defense of the Spratly Islands. Vietnam's welcoming the Japanese minister of defense to Cam Ranh Bay would seem to suggest the importance Vietnam places on the role Japan can play in Vietnam's security.

With the aim of strengthening its capacity to police its waters, Vietnam, like the Philippines, has requested Japan to provide it with patrol boats. Current ODA guidelines, however, do not allow for military contributions, meaning that the Vietnamese Coast Guard's positioning under the People's Army prevents such a contribution. According to press reports, Japan seems to have suggested that Vietnam separate the Coast Guard from its military. With an eye to receiving patrol boats, the Vietnamese government showed a willingness to change the Coast Guard's organizational structure and in August 2013 decided on changes in the implementing regulations of the law governing the Coast Guard. These changes removed the Coast Guard from direct administration of the defense ministry, and even though the minister of defense remains directly in command, the new setup gives responsibility for the Coast Guard to the government and national legislature. The general headquarters staff follows recommendations from the minister of defense, the prime minister issues orders, and the Coast Guard personnel are given their own distinctive uniforms and rank insignia different from those of the People's Army. Despite such changes in regulations, the minister of defense maintains a powerful role, and it is difficult to say that the Coast Guard is now totally separate from the military, but it is clear that the Vietnamese government tried very hard to give the Coast Guard the appearance of being a new, separate structure. In response, at the meeting between the prime ministers of Japan and Vietnam held at the ASEAN-Japan Commemorative Summit Meeting in December, Japan indicated its willingness to open substantive discussion on providing such patrol boats.

Turning to cooperation with the United States, in April a US Navy destroyer and rescue vessel called in the port of Danang, where they conducted joint training on disaster relief and similar topics, and in October the fourth session of the vice-ministerial defense policy dialogue was held in Washington, DC. These and other examples demonstrate how joint training exercises accompanying US Navy port calls in Vietnam as well as a strategic dialogue have become regular aspects of the bilateral military relationship. Further, during his December visit to Vietnam, Secretary of State John Kerry announced \$1.8 million in aid to Vietnam including

provision of patrol boats. Vietnam also conducted joint exercises in the South China Sea with India in June, and November saw the eighth session of the Vietnam-India vice-ministerial defense policy dialogue, demonstrating that the same types of joint training and strategic talks are being conducted with India as with the United States. Vietnam likely hopes that demonstrating its cooperative relations with the United States and India in the South China Sea can have a restraining effect on the tense relations there.

China is also included in the purview of Vietnam's diversified military diplomacy. Despite the tensions in the South China Sea, the two countries maintain close relations. In 2013, there was a very obvious exchange of high-ranking visits. For example, in June President Sang visited China and agreed on setting up a hotline between the two countries' fishing administration agencies as well as on joint exploration of oil and natural gas resources in Tonkin Gulf. Minister of Foreign Affairs Wang Yi visited Vietnam in August, as did Premier Li Keqiang in October, both agreeing to cooperate in seeking a peaceful resolution to problems in the South China Sea. In terms of security cooperation, the fourth bilateral security dialogue was held in Beijing in June, with the two countries giving formal approval to setting up a hotline between their ministries of defense. Two frigates from the Vietnamese Navy made a port visit to Zhanjiang, Guangdong Province, where they conducted the fifteenth joint patrols with the People's Liberation Army (PLA) Navy.

Given its rather asymmetrical relationship with China, Vietnam has sought to reach a balance by strengthening its relations with ASEAN and the United States, and with countries not in its immediate vicinity, such as Japan, India, and Russia. But even as Vietnam goes about trying to regulate its traditional, complex bilateral relationship with China, its efforts to build up its relationship with the United States can proceed only along a narrow track. President Sang's visit to Washington, DC, in July 2013 was only the second visit there by a Vietnamese head of state since diplomatic relations were established in 1995, and the two countries' views on human rights were clearly split. For Vietnam, maintenance of the sole leadership of the Communist Party is an absolute, meaning that fortifying its relationship with the United States, which has a quite different ideology and system of government, is fraught with difficulties and gives Vietnam a much stronger affinity with China. Against this background of like and unlike governmental systems and ideologies and in the context of its diplomacy with

China and the United States aimed at stabilizing the situation in the South China Sea, Vietnam is inclined to move forward only gradually in strengthening its relations with the United States, but it is plain that there are gaps in the two countries' views for example on religion and human rights which remain difficult to bridge. On the other hand, although there has been no special improvement regarding the South China Sea as a facet of Vietnam's relations with China, the two sides seem to have at least reached agreement to move toward greater stability, primarily via consultation through governmental channels. Vietnam's diplomacy directed at China during 2013 gives the impression of being much more active than during 2012.

One reason that consultations between Vietnam and China were so active during 2013 can be seen as China's "estrangement policy" toward Vietnam and the Philippines. These two countries have different levels of affinity toward their relations with the United States, and Vietnam and the Philippines could even find themselves taking increasingly different approaches to South China Sea affairs. This would in turn mean increasingly different strategic interests for the two countries. The split in ASEAN internal policy toward the South China Sea in 2012, brought about largely by actions of then-ASEAN chair Cambodia, is still fresh in everyone's memory; as differences in the Vietnamese and Philippine approaches become more apparent, ASEAN is finding it increasingly difficult to move from the general to the specific, to reach and then maintain a meeting of the minds on substantive policies, and to use this to play the diplomatic card.

### **(3) China-ASEAN COC Talks: Stagnation, But New Efforts Too**

ASEAN is facing a rough road in maintaining a unified position on a COC, but in 2013 it continued its efforts to put consultations with China on track toward achieving a formal agreement. At July's China-ASEAN Ministerial Meeting, the two parties agreed on opening formal talks on a COC in September. The joint communiqué issued by the ASEAN Ministerial Meeting also touched on the South China Sea by stressing principles drawing on the 2002 Declaration on the Conduct of Parties in the South China Sea (DOC), ASEAN's Six-Point Principles on the South China Sea in 2012, and the ASEAN-China joint statement on the tenth anniversary of the DOC; the statement thus was extremely generalized and nonconfrontational as it expressed only ASEAN's hopes for China's continued cooperation. The statement gave the strong impression that ASEAN sought to

avoid repeating the tough experience of the 2012 ministerial meeting, where the unresolved difference of opinion between Cambodia, serving as ASEAN's chair, and the Philippines and other parties to South China Sea disputes resulted in ASEAN, for the first time in its history, being unable to produce a joint communiqué.

Keeping ASEAN's vulnerabilities fully in mind, China tried to serve its own interests in the COC talks by defining their direction. During his August 2013 visit to the ASEAN member states, Minister of Foreign Affairs Wang laid out China's policy involving the consultations. It was a four-point proposal for "rational expectations, consensus, elimination of outside interference, and progressive development." "Elimination of outside interference" can be seen as an attempt to check the Philippines' countermeasures against China as well as the US and Japanese cooperation with the Philippines, while "progressive development" appears to be an expression of China's intention to continue its negativity toward early conclusion of a COC. Against this backdrop of markedly different ASEAN and Chinese positions, official consultations between ASEAN and Chinese officials were held in Suzhou in September as provided by the July agreement. In these talks, the parties avoided touching on the contents of a COC and instead reached agreement on the procedures and methods to be used in the talks, such as holding formal COC talks more frequently, making regular reports to all the participants' foreign ministers on the contents of the consultations, and establishing an Eminent Persons Expert Group. It is open to differing interpretations whether more than ten years of debate on a COC resulting in this agreement on procedures and methods for formal talks represents progress or stagnation. Even if this is seen as progress, the drafting and adoption of an actual code will without doubt take considerable time.

Over the years, ASEAN's basic policy on how to deal with problems in the South China Sea, taking its lead primarily from Indonesia, has been consistent. The approach has been to set up a COC that would legally constrain all the parties, to stabilize the situation, and to actively seek a peaceful resolution to the problems. In that sense, China's agreement only on holding formal COC consultations represents no more than a first step. The outlook for concluding an actual COC remains murky, making it difficult to view that agreement as any great progress. It is impossible to avoid recognizing that there has been no progress in substantive discussion of achieving a COC since the 2002 DOC. An overall feeling of enthusiasm for pushing strongly forward toward achieving a COC directed at

China has been lacking at any ASEAN-related meetings, even the ASEAN-East Asia Summit in October, where President Obama's absence also had an influence.

While China is showing itself prepared to engage in talks with ASEAN, it is also showing its readiness to expand and strengthen its actual, physical control in the South China Sea. The PLA Navy has advanced close in to waters under Malaysia's actual control to hold exercises, and as already mentioned, it has seemingly taken advantage of the Philippines' insufficient marine defense capacity to start making inroads in Scarborough Shoal and elsewhere, in November conducting a shakedown cruise of its new aircraft carrier in the South China Sea. Given these actual trends, it is hard not to conclude that Beijing sees talks simply as a delaying tactic and in reality is seeking to use its strength to bolster its effective influence in the South China Sea. This in turn makes it difficult to avoid viewing the future of China-ASEAN talks very pessimistically. China is moving steadily toward big-power status, and if this works in its favor in the China-ASEAN or US-China balance of power, then China will have even less motivation to sign on to a COC that would necessarily restrict its own actions. To avoid such a situation, ASEAN itself must make efforts to maintain unanimity and expand its own presence in the international community.

At the same time, however, even if actual discussion on a COC proceeds only slowly, at least a start has been made on trying to keep the situation in the South China Sea from becoming even more complicated. At the September talks in Suzhou, ASEAN and China agreed to hold talks in the future on setting up a hotline to permit quick response to accidents in the South China Sea, including search and rescue activities. This notably displays that ASEAN and China share a common awareness of the need for crisis management to deal appropriately with unexpected situations in the South China Sea and prevent escalation as well as awareness of the importance of cooperation on marine search and rescue.

Japan is not a claimant in the South China Sea, but it does have an important strategic interest in the area. The South China Sea holds sea lanes which are vital to Japan's trade and energy supplies. Further, if tensions among countries involved in the South China Sea should escalate into actions, this would destabilize the strategic environment not only for ASEAN and China but throughout East Asia as well. Japan is thus faced with a need to maintain an appropriate involvement in South China Sea issues and work for a calming of problems there. The first approach available to Japan is making active use of the available multilateral



frameworks; it will be important to create opportunities for frank discussion of marine issues in general but including the South China Sea and the East China Sea. In addition, it is worth noting that Japan is seeking to deepen its security cooperation with such South China Sea disputants as Vietnam and the Philippines.

## **2. Developments in the ADMM-Plus: Evolving Institutionalization**

Clearly 2013 was a very notable year for the ADMM. First was because of the progress in substantive cooperation within ASEAN. Since ADMM's creation in 2006, it has worked toward establishing structures for cooperation in a variety of nontraditional security areas, in particular PKO and HA/DR. Those efforts continued in 2013, and at the seventh ADMM in Brunei in May, the defense ministers from all of ASEAN's member countries agreed on setting up a logistics support framework within ASEAN. This framework was aimed at supporting a coordination mechanism to make appropriate use of each member country's military facilities and capacities most effectively for a more uniform response to natural disasters and other nontraditional problems. The outline adopted at that meeting envisioned that the logistics support framework would, during joint military action or exercises, coordinate cooperation in the mutual supply of fuel, foodstuffs, water, and the like and the handling of wastes rather than weapons.

Second, the year saw the start of joint exercises through the ADMM-Plus framework. The ADMM-Plus was established in 2010 and included ASEAN members and eight "dialogue partners" consisting of other countries from outside the ASEAN region, and at its first meeting, it agreed to advance cooperation in five nontraditional areas: HA/DR, maritime security, counterterrorism, military medicine, and PKO. An EWG was set up for each of these five areas to ensure promotion of actual cooperation, and the first step in such substantive cooperation was the planning and execution of joint exercises.

In June 2013, HA/DR and military medicine became the first of the areas for attention, as the first ADMM-Plus joint exercise was held in Brunei. All of the ADMM-Plus countries participated in the exercise, and Japan, which served as joint chair of the military medicine EWG along with Singapore, dispatched almost 400 personnel from its ground, maritime, and air Self-Defense Forces, including the helicopter destroyer *Shirane*. In addition, the United States and China provided a supply vessel and a hospital ship, as all participants showed

enthusiasm for the undertaking. Other activities during 2013 included joint exercises on counterterrorism in September in Indonesia and on-site inspections for maritime security purposes as well as marine supply activities in October in Australia. The EWG on PKO, jointly chaired by the Philippines and New Zealand, conducted planning for joint exercises in February 2014, meaning that exercises in all five of the areas were conducted or planned during 2013.

Third, there was progress in 2013 in firming up an institutional structure for the ADMM-Plus. At the second ADMM-Plus held in Brunei in August, participants exchanged opinions on the future direction of the ADMM as well as the ADMM-Plus, prevention of disputes at sea and avoidance of collisions, peaceful resolution of problems in the South China Sea, and denuclearization of the Korean Peninsula, and the various participating countries also expressed concerns over the worsening situation in Syria. All of the defense ministers also agreed on expanding the EWG that served in the ADMM-Plus as the basis for cooperation in nontraditional areas, and a new EWG on humanitarian mine action was created. This meant a total of six EWGs, and it was decided that new joint chairs would take charge in each. The new chairs were named as Laos and Japan for the EWG on HA/DR, Brunei and New Zealand for maritime security, Thailand and Russia for military medicine, Singapore and Australia for counterterrorism, Cambodia and South Korea for PKO, and Vietnam and India for the new EWG on humanitarian mine action. It was also decided to shorten the period between ADMM-Plus plenary sessions from the original three years to two years, creating greater opportunities for defense ministers of countries in the Asia-Pacific to meet together.

Although the ADMM-Plus was only established in 2010, there has been rapid progress in giving it a firm institutional structure. The EWGs, which are central to

efforts to promote real security cooperation within the ADMM-Plus framework, have expanded their scope to include humanitarian mine action, and a rotational system of joint chairs in the EWGs, with an ASEAN member and a dialogue partner jointly sharing the duties and changing at each biennial ADMM-Plus plenary session, is taking on



**The Second ADMM-Plus meeting (August 27–29, 2013)** (Japanese Ministry of Defense photo)

shape. Also during 2013, each of the five EWGs saw either planning or execution of joint exercises, making it likely that such joint exercises will be held regularly in the future. And the frequency of plenary sessions has also been increased, giving the ADMM-Plus greater opportunities for substantive cooperation. Such trends imply that each of the participating countries is strongly aware of the ADMM-Plus' usefulness and is trying to use the institutionalization of its framework to promote real security cooperation and trust.

Even as maritime problems and questions of territorial rights are boosting tensions, there has also been progress in multilateral security cooperation. This is a very interesting phenomenon as it means that East Asia's security environment cannot consist only of confrontation and tension. It also brings up questions such as how much importance each of the countries involved basically places on policies of cooperation in nontraditional areas and whether progress in cooperation in nontraditional areas can contribute to resolution of problems and reduction of tension in areas of traditional concern such as territorial rights. Although cooperation is steadily making progress through the ADMM-Plus, this is not necessarily having an effect on reducing tension in the South China Sea. In that sense, the significance which the countries concerned place on whether a matter is traditional or nontraditional will be strongly influenced by the direction of each country's strategies and national defense policies, especially in the case of the United States and China. At the least, progress in the creation of trust in nontraditional areas will probably require quite a while before it is reflected in other important security issues. Looked at in this way, it is useful that the ADMM and ADMM-Plus provide the defense ministers of countries involved in South China Sea problems an opportunity for consultation at a time when tensions are growing in the region. The question now is whether such opportunity to talk will lead to any solutions of problems.

There are a number of countries in the Asia-Pacific region that participate in both the ADMM-Plus and the ASEAN Regional Forum (ARF), raising the question of how responsibilities are divided between these two bodies to avoid needless duplication of functions. There are factors at work to prevent such duplication: joint exercises in the ARF primarily focus on civil and military cooperation operations, while in the ADMM-Plus the emphasis in the EWG on HA/DR, counterterrorism, maritime security, and PKO is on strengthening the systems for cooperation among the various militaries and bolstering mutual trust.

It is expected that both frameworks will develop systems for regular annual joint exercises, so a question for close attention will be whether there will also be a division of functions between the ARF and the ADMM-Plus so that they will go beyond just talking shop to promote real security cooperation. Another important question is whether these two bodies and their separate roles will contribute to stability in the Asia-Pacific region, where there is concern that tensions can escalate in the traditional security concerns. Some matters for concern regarding the ADMM-Plus itself would be the frequency of its plenary sessions (whether the defense ministers will meet for talks annually); agendas at the plenary sessions (whether global and current security concerns will be discussed, as the situation in Syria was raised at the second ADMM-Plus plenary, and whether the ADMM-Plus will have a consensus position); since countries such as Canada and France have shown an interest in the ADMM-Plus, whether the range of countries will be expanded beyond the current dialogue partners; and whether, given the volume of duties involved for each country's military establishment, the senior officials' meetings, EWGs, and joint exercises can efficiently be put on a regular, systematic footing. With regard to relations with Japan, it should be noted that, in addition to the ADMM-Plus, the possibility of holding an unofficial defense minister meeting between Japan and ASEAN on nontraditional security issues is being explored, based on a proposal by Prime Minister Abe at the Japan-ASEAN Commemorative Summit in December 2013.

One of the ADMM-Plus' major areas for cooperation is HA/DR, and it will be necessary that the results of HA/DR exercises actually be put to use, and that the framework show its practical usefulness. When HA/DR cooperation was carried out in response to the massive damage that typhoon Haiyan caused in the central Philippine islands in November, the ASEAN members primarily provided assistance bilaterally, and while there were differences in each country's capacity to offer equipment and troops, each country did its best to offer support. ASEAN as a whole did act through its Coordinating Centre for Humanitarian Assistance on Disaster Management to issue early alerts and dispatch emergency teams to the Philippines, and ASEAN itself did use its HA/DR cooperation framework, which probably bodes well for future effective cooperation among the military authorities of ADMM and ADMM-Plus members.

### **3. Thailand's Deep South and the Central Government: From Signs of Improvement to Renewed Chaos**

The disruption in Thailand's deep south showed new development during 2013, the start-up of peace talks between the government and antigovernment organizations. Attacks and relatively small-scale terrorist bombings by antigovernment Islamic extremist groups started there in January 2004, directed at soldiers, police, teachers, monks, and followers of Buddhism and claiming over 5,000 victims from 2004 through 2013. Ever since Prime Minister Thaksin Shinawatra was deposed in a coup d'état in 2006, the central government has been unstable with the Thaksin supporters pitted against the anti-Thaksin faction, resulting in the government's inability to adopt serious policies aimed at resolving the problems in the deep south and its reliance on the military to deal with them, largely by maintaining civil order. The military deployed large numbers of troops in the deep south and worked at unmasking the extremist factions but without any improvement. Quite the opposite, the military's heavy-handed response evoked the opposition of the residents of the region and made the area ripe for extremist activity. As a result, the area experienced even more disruption. Buddhists sought revenge, and Muslim residents were murdered seemingly in a strike against the extremists' control over the region's inhabitants, making the problems even knottier and more intense. The Yingluck Shinawatra administration, however, was initially more stable than other administrations of the last few years and found the leeway for the government to deal seriously with the deep south issue. Its first step was to embark on peace talks with the antigovernment factions.

The government has long since seemed use Malaysian mediation to conduct repeated informal contacts with antigovernment factions, but at the end of February 2013 the government and the National Revolutionary Front (BRN) agreed to start talks. Peace talks were held three times in Kuala Lumpur with Malaysian government mediation. At the third round of talks in June, both sides agreed on a ceasefire during Ramadan. Since the Thai army, however, attacked the BRN stronghold during Ramadan at the end of July, the BRN strongly objected and declared that the ceasefire agreement had been torn up, bringing the peace-talks process to a halt. As of the end of 2013, the BRN and the government were seeking to coordinate a fourth round of talks, but at that point it was unclear whether any firm dates could be set.

From the beginning, the Thai government had no misconception that a handful of talks could bring a dramatic resolution of problems in the deep south, and it seemed to feel that it would be necessary to continue the talks for years. The very fact that talks could be held between the central government and the most powerful antigovernment group for the first time starting in 2004 could itself be called a great success, given the complete lack of progress over nine years. But there are many extremist factions other than the largest one, the BRN, and the attacks and bombings have not subsided. Quite the opposite, it can even be said that some of the groups have increased their attacks in order obstruct the peace talks. As a result, sporadic attacks have continued since Ramadan, and the start of peace negotiations brought the difficulty of resolving the deep south problems into sharper focus.

The situation over the last several years has proven that the military and police use of physical force alone cannot bring a solution to the deep south problems, and that a political dialogue is essential. What is needed from the central government is to hold talks not only with the BRN but to pull as many groups as possible into a dialogue, to take steps to foster trust to replace the distrust built up over the years, and to adopt policies aimed at achieving a political solution that also allows for self-rule in the deep south and brings improvement in the region's economic and social situation. In November, however, huge demonstrations by anti-Thaksin factions broke out in response to a bill to pardon former Prime Minister Thaksin, and as demonstrators took steps such as occupying government buildings, the Thai central government was again thrown into disarray. In reaction, Prime Minister Yingluck dissolved the national legislature's lower house, but the Democrat Party,

### **Insurgency in Thailand's Deep South: Background and Prolongation**

The great majority of the population in Thailand's three southern provinces of Yala, Pattani, and Narathiwat are followers of Islam. Historically, from the fourteenth through eighteenth centuries all of this region was part of the Sultanate of Patani, an ethnic Malay Islamic kingdom. In 1785, the Sultanate of Patani came under the rule of the Kingdom of Thailand, and then in 1909 a treaty between the Kingdom of Thailand and Britain made the southern half of the old Sultanate of Patani a part of British-ruled Malaya. At the same time, the remaining northern half of the old sultanate came under the direct rule of the Kingdom of Thailand as it discarded the system of sultans. In this way these areas in the deep south

became a part of Thailand with a predominantly Muslim population.

Later, with the arrival of the 1960s, the Thai government strongly applied a policy of cultural assimilation in the deep south. For example, “pondok” religious boarding schools could be found around the region where people who had completed elementary school could study Islam. The Thai government enforced controls over the pondoks, requiring them to be registered as private schools and setting a standardized curriculum for them. Such government policies for religious control were strongly opposed by the followers of Islam, and since the region had also long been very poor and largely cut off from Thailand’s economic development, it became fertile soil for Islamic extremism and separatism.

At the beginning of the 1970s, the Pattani United Liberation Organization (PULO) was formed for the purpose of creating an independent Islamic state. At one point, there were more than 3,000 activists in the separatist independence movement centering on PULO. It was unable, however, to expand its influence in the same way as separatist groups in other parts of Southeast Asia, with the result that extremism and separatism in the deep south subsided for a time during the 1980s. One reason was that the governments of both Thailand and Malaysia cooperated in repressing extremist activities along their borders, and another was that the policies of the Thai government in the deep south were not so oppressive that they encouraged the expansion of the extremists’ influence. Other factors would also include that there was only limited outside financial assistance to the extremists, and that although there were regional disparities, the deep south did indeed benefit to some extent from Thailand’s economic development.

With the beginning of the 1990s, however, violent incidents broke out sporadically, with the involvement of PULO and other Islamic extremist groups, it was suspected. On the other hand, it is said that the inhabitants of the deep south developed a strong antipathy for the tyrannical policies of the Thaksin administration applied from 2001 onward. No one can say with certainty just why the disturbances that broke out beginning in January 2004 started just at that time. After January 2004, however, shootings and small-scale bombings took place almost daily, and by mid-2013, the number of victims totaled 5,000. The government resorted to a series of approaches such as the military’s use of force to control the situation, the use of militias, and the establishment and reorganization of a Southern Border Provinces Administrative Centre (SBPAC), but it was finally recognized that rather than quelling the disturbances, such tyrannical methods made the situation worse and more complicated. Close attention will be paid to how the Yingluck administration revises those policies.

The disturbances of the last ten years have given rise to much academic and strategic research on the problems in Thailand’s deep south. Regarding how to resolve the insurgencies in Thailand’s deep south which have shown no sign of subsiding, it has been widely argued that the military’s attempts to mop up the extremists have not resolved the situation and actually have worsened it, so that the problem can only be resolved politically. To bring political dialogue into action, however, there must at a minimum be a stable central government, and the government must create conditions which will allow it to make serious efforts to address the problems. A solution likely can be achieved only through a patient and sustained dialogue between the government and the opposition in the deep south which also takes into account allowing self-rule in the region.

the largest opposition party and one which took part in the demonstrations, declared a boycott of the resultant general elections because it had little chance of victory, and it has continued the demonstrations. There is concern that disarray in the central government may bring a reoccurrence of the 2006–2010 period when the unstable central government in effect left the deep south to fend for itself.

#### **4. Myanmar: Sectarian Violence Surfaces**

Since the installation of its “civilian government” in March 2011, Myanmar has continued its political reforms. One of the goals of reform has been to improve the image it projects to the outside world on human rights and democratization, bringing improvements in its foreign relations, particularly with the United States and Europe, and giving greater stability to its own strategic environment; improving its image should also attract more foreign investment for Myanmar’s economic development. When President Thein Sein visited the United Kingdom in July 2013, he pledged the release of all political prisoners and otherwise promoted policies that would attract the approving attention of the West. There have in fact been striking improvements in Myanmar’s relations with the United States, such as President Obama’s visit to Myanmar in 2012 followed by Thein Sein’s trip to the United States to meet with Obama in May 2013, the first official visit to the United States by a president of Myanmar (Burma) in some fifty years.

Another important theme of Myanmar’s political reforms is reconciliation with its ethnic minorities. Under the military regime, there were many years of tension between the military and the ethnic minority communities along the country’s borders, accompanied by sporadic fighting. The Thein Sein administration is aiming to make major improvements to escape from this impasse and to reach reconciliation through a political dialogue with the ethnic minority groups. By 2012, the government had reached ceasefires with eleven out of the twelve major armed factions, and in May 2013, it concluded a provisional ceasefire agreement with the remaining group, the Kachins. Sporadic fighting continued to break out between various armed factions and the national military, however, making it difficult to foresee whether the border areas can actually be stabilized. At the end of October, the government and representatives of eighteen armed groups met together to discuss a ceasefire, but the efforts did not extend to reaching an actual ceasefire agreement. Both sides agreed to conduct further talks, and the



negotiations should continue, including the topic of whether it might be possible to incorporate the armed groups into the military in some fashion.

While ceasefire negotiations between the armed ethnic minority groups along the borders and the government are making progress, albeit via many twists and turns, promotion of the political reforms has brought a loosening of military control but produced as well an unexpected byproduct, i.e., a situation where social dissatisfactions can flood to the surface. This is seen in the persecution of the minority Muslims by the majority Buddhists and the confrontations between the two. Ninety percent of Myanmar's population is Buddhist, making it simple for the minority Muslims to be discriminated against. In 2012, there was persecution of the Rohingyas in the western state of Rakhine; as Muslims, the Rohingyas are both a religious and an ethnic minority. As the civilian government's reforms progressed and political freedom spread, confrontations between the majority Buddhists and minority Muslims continued into 2013, and at least ten people were killed when conflict broke out in March in Meiktila in the southern part of the Mandalay region in central Myanmar. It is not necessarily clear that there is a causal relationship between the spread of political freedom and greater violence in sectarian confrontations, but the deep-rooted sense of discrimination felt by the average Buddhist citizen can certainly be considered one form of political opinion, brought to the surface under the leadership of some of the Buddhist monks.

It is unclear at present whether such sectarian confrontation is having a negative influence on economic development through foreign investment or on the country's relations with the United States and Europe. Despite its domestic difficulties, Myanmar is experiencing steady advancement in its foreign relations. Not just the United States and Japan but also such neighboring powers as China and India are enthusiastic about strengthening security cooperation with Myanmar. In February 2013, the United States successfully invited observers from Myanmar to the annual Cobra Gold joint exercises it conducts with Thailand and also indicated its readiness to provide capacity building support in some nontraditional areas. Japan has also started to promote cooperation and exchange with Myanmar's military. For example, vessels from Japan's Maritime Self-Defense Force called on Yangon for the first time in September 2013, while November saw the first defense dialogue between the two countries in Naypyidaw. Meanwhile, Myanmar is also continuing military cooperation with China and India, neighbors with

which it has a deep traditional relationship. In January, for example, Myanmar held its first strategic security discussions with China in Naypyidaw where they also brought up the question of stabilizing border regions. For its part, India is providing Myanmar with equipment.

If the government is unable to adopt effective policies to quiet sectarian confrontation, this will no doubt start to have a negative effect on foreign investment and foreign relations. In addition, the problem of persecution of the minority Muslims in Myanmar is having an influence elsewhere in Southeast Asia as well. A large number of Rohingyas have sought refuge in neighboring Thailand, and “boat people” have started to appear. In Malaysia, four Buddhist citizens of Myanmar were shot and killed in June, seemingly as revenge by Muslims. In Indonesia as well, two Indonesians were arrested in May on suspicion of plotting to attack Myanmar’s embassy in Jakarta, and there have been reports that Rohingya activists have entered Indonesia and are in contact with extremists there. Such developments raise concern that Myanmar will again become a problem at the ASEAN level. It is unmistakably important for the government of Myanmar itself to work toward stability in its domestic affairs and social situation, but as Indonesia has pointed out, it will probably also be necessary for ASEAN to provide support for promoting stability in Myanmar and to approach countries from outside the region to provide cooperation as well.

Myanmar is thus faced with two overlapping ethnic problems: First is the fighting with armed ethnic minority groups in the country’s border regions, and second, emerging in recent years, is the persecution of the Muslim minority by members of the Buddhist majority or confrontation between the two. The first problem remains in an unstable condition and requires constant attention because the fighting could break out again at any time, so the government is aiming at reaching ceasefire agreements with all of the armed ethnic minority groups, a process which seems to be more or less on track. In contrast, the situation is growing more complex regarding the persecution of Muslims, including the element of religious confrontation. Faced with the Buddhist followers’ deep-seated prejudice against Muslims, the government has the difficult task of maintaining the support of the majority Buddhists while also protecting the minority Muslims and seeking a way for the two to coexist. Although confrontation has appeared against a background of relaxation of the military government’s tight control over society and expansion of political freedom, any government attempt to stem the

expansion of political freedom would be contrary to the country's democratization, which in fact would make it extremely difficult for the government to resort to such policies. In future, the central government must seek support domestically and from the international community while protecting the Muslims and investing the time necessary to work out a *modus vivendi* between followers of the two religions, all of which will probably require a great deal of patience.

