Position and Stance of Nations that Claim Sovereignty and Non-regional Major Powers in the South China Sea Disputes

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Abstract

Since 2013 the South China Sea disputes have become a hot spot in the Asia-Pacific area. On the one hand, China has sped up the construction of its artificial island in the Spratly Islands and militarized its man-made islands. On the other hand, the U.S. has acted on its principle of Freedom of Navigation Operations and deployed warships and aircraft in the 12 nautical mile zone around the man-made islands leading to military confrontation between the U.S. and China in the South China Sea. Furthermore, the Philippines has submitted the sovereignty dispute regarding the Spratly Islands to the UN Permanent Court of Justice and after hearings in October 2015 and according to the de jure procedure of this case the verdict will be released in May 2016. But China has already stated that the Court of Justice has no right to handle Chinese sovereignty issues and China will refuse to accept the outcome according to the UN Law of the Sea. Although China did not want to join the arbitration and was absent during the hearings, the outcome of this arbitration will set a
precedent for the claimant nations around the South China Sea. In addition, non-regional major powers, such as Japan, India and Australia have their own purposes to engage with different claimant nations in order to counter China’s changing the status-quo and increase their interest in the South China Sea. Firstly, this paper describes the current situation in the South China Sea and points out three factors which impact development in the South China Sea. The paper also presents the policy and stance of states which claim sovereignty and those that do not in the South China Sea. Finally, this paper sums up previous descriptions and points out Taiwan’s strategy and policy in the South China Sea disputes.

**Keywords:** Militarization, Maintain Status-Quo, Freedom of Navigation, Changing the Status-Quo, Artificial Island

**I. Introduction**

In January 2016 North Korea carried out a test of a hydrogen bomb and one month later fired a satellite into outer space. These actions have increased tension on the Korean Peninsula. At the same time, a U.S. Ageis Class destroyer cruised around 12 nautical miles from Duncan Island to fulfill the right to “Freedom of Navigation” (FON). This kind of action has provoked a heavy reaction from the Chinese side. On the other hand, the U.S. government has called for a special summit between the U.S. and ASEAN in Sunnylands, California, in order to reach a common stance against China regarding the peaceful solution of the South China Sea (SCS) disputes. The U.S. government also revealed via a civilian company that China had already deployed some Surface-to-Air missiles (HQ-9) on Woody Island in the Paracels. China has also built up a radar system with high frequency facilities on China’s artificial island in the Spratly Islands. This deployment reveals Beijing’s intention to militarize its
artificial island in the South China Sea.

According to a report released by the Center for Strategic and International Studies in Washington, these air defense missiles have a strike radius of about 125 miles, varying according to the type of system deployed. Although this deployment alone will not change the military balance in the South China Sea, yet new radar facilities under development in the nearby Spratlys chain could “significantly change the operational landscape.”¹ The other concern regarding the militarization of China’s land reclamation is the anxiety that China will gradually move towards launching an Air Defense Identification Zone across the whole South China Sea. Paradoxically, although the U.S. struggles to restrain China, China’s behavior has prompted it to become even more determined to dominate neighboring waters.²

Basically, this is a competition game of “changing the status-quo” from China’s side and “maintaining the status-quo” led by the U.S. and her allies in the Asia-Pacific region. So we can describe the situation as a model of “complex bilateral cooperation” (CBC) against China’s unilateral action. In addition, the Philippines has also sent its dispute with China to the UN permanent Court of Justice in the Hague, which will release its verdict in this maritime sovereignty case in May 2016. On 29 October 2015 the Tribunal issued a highly awaited Award on Jurisdiction and Admissibility in the Philippines-China arbitration case and the interim award prepares for a final

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ruling in 2016. From the U.S. perspective “how China responds to a potential ruling from the arbitral tribunal will reflect China’s attitude toward international maritime law.”

Nowadays disputes in the South China Sea not only have the character of international power politics, but also have de jure implications for claimant states. Conflict between the U.S. and China is simultaneously arising on the Korean Peninsula, and in the East China and South China Seas.

According to what was said above, this paper tries to set up one main argument and three hypotheses, i.e., China’s beginning to construct a man-made island and expansion of its scope and range in the direction of militarization reveals that Beijing has adopted an aggressive South China Sea strategy. The U.S. has led its Asia-Pacific allies, including states outside this area which do not claim sovereignty to articulate a common stance against China.

Hypothesis 1: China has built up seven artificial islands in the Spratly Islands and is gradually moving towards militarization. This arrangement by China has led the U.S. to exercise its “Freedom of Navigation” by sailing, cruising and operating in the South China Sea. The issue has given rise to a competition for power between the U.S. and China in the South China Sea and Asia-Pacific region.


Hypothesis 2: Given U.S.-China strategic competition the claimant nations around the South China Sea are faced with the complication of taking sides either with the U.S. or with China. With help from the U.S., the Philippines has laid a case against China on the basis of the UN Convention on Law of the Sea (UNCLOS), but Vietnam owing to geo-economic considerations has taken a low profile stance in its disputes in the Parcel Islands.

Hypothesis 3: The other states that do not claim sovereignty, such as Japan, Australia and Japan to a certain degree have adopted policies that coincide with the U.S. rebalancing toward Asia-Pacific in order to contain China and protect their sea-lanes of communication. So they have actively engaged with the claimant states and built bilateral cooperative mechanisms to enhance their role as a counter power against China.

II. Factors which impact on the South China Sea Disputes

1. Aftermath of China’s Reclamation in the Spratly Islands

 Principally, three factors which impact emerging development in the South China Sea disputes are, firstly, although China’s reclamation in the Spratly Islands was terminated at the end of 2015, yet China has carried out some construction which can be described as militarizing its man-made islands, such as placing surface-to-air missiles on Woody Island and deploying its J-11 and JH-7 fighters. The commander of U.S. forces in the Pacific, Adm. Harry Harris Jr., told Congress: “China has constructed more than 1,210 hectares of artificial land there in little more than two years, compared with about 115 acres reclaimed by the other claimants in more than 45 years.”5

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5. Matthew Pennington, “China criticizes Philippines over South China Sea dispute,”
In fact, China has been clear what the United States’ attempt to the South China Sea is, but China’s long-term grand strategy is to implement a “bi-ocean strategy—the Indian Ocean and the Pacific Ocean.” Since the 19th century, “bi-ocean” enemies have threatened China. Now China has an opportunity to control both the Indian Ocean and the Pacific Ocean. The key priority is for China to gain substantive control over the SCS, which provides access to control of the Indian Ocean whilst also outflanking the U.S. fleet in the Pacific Ocean, thus fulfilling the proverb: “killing two persons with one arrow.” Therefore, China is getting more aggressive in facing SCS issues since control of the SCS would implement the “bi-ocean strategy.” If, however, China lost control over the SCS, she would lose the national security provided by this sea barrier.

Therefore, based on the above analysis, if China wants to gain substantial control over the SCS, she must adopt a strategy of “De-anchoring the South China Sea (DASCS).” The initial step is to confirm pointers for the nine-dash line with nine reefs for the flukes of the anchor and Hainan Island and the naval fleet in Zhanjiang as the stem of the anchor. Thus China has sent warships on patrol, reclaimed land and deployed weapons in a bid to ensure this strategy works. The ultimate goal is to gain a foothold in both the Pacific and Indian Oceans and thus fulfill its long-term grand strategy.

2. Submission of the Philippines international arbitrations against China

Secondly, the international arbitration case regarding sovereignty disputes between the Philippines and China is in its final stages,
i.e., a verdict in this case will be announced in May 2016. In the arbitration, Manila has three main arguments: first, none of the insular features in the South China Sea are qualified to generate any entitlement to an exclusive economic zone (EEZ). They are all “rocks”, which can entitle only a territorial sea. Second, there are no overlapping entitlements in these waters, so China’s land reclamation activities in the southern sector of the South China Sea, and law enforcement actions across both sectors, have interfered with the Philippines sovereign rights and freedoms in its EEZ. Finally, Beijing’s claims, based on “historic rights” within the “nine-dash line”, have no juridical basis in UNCLOS or under international law.6

On February 25, 2016, Chinese Foreign Minister, Wang Yi, said the decision by Philippine leaders to lodge a case with a tribunal in The Hague was “irresponsible to the Filipino people and the future of the Philippines.”7 Beijing refuses to accept the authority of the Permanent Court of Arbitration (PCA) in The Hague in this issue. China has stated: “It will neither accept nor participate in the arbitration unilaterally initiated by the Philippines.”8 Therefore, during a speech at the U.S. Think Tank, Center for Strategic and International Studies (CSIS) China’s Minister of Foreign Affairs, Wang, accused the Philippines of shutting the door to negotiations with China over their dispute and seeking arbitration without China’s consent. He said China was prepared to negotiate “tomorrow” and “we are neighbors just separated by a narrow body of water” and “we want to contribute

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7. Matthew Pennington, “China criticizes Philippines over South China Sea dispute.”
to the Philippines’ economic development.”

But in October 2015, the PCA announced that: “Both the Philippines and China are parties to the convention and compelled by its provisions on the settlement of disputes.” Besides, although China has refused to participate in the arbitration, that does not deprive the court of jurisdiction in the case and Manila’s decision to commence arbitration unilaterally was not a mishandling of the Convention’s dispute settlement processes. Although the hearing, which lasted until November 30, was being held behind closed doors, yet Australia, Indonesia, Japan, Malaysia, Singapore, Thailand and Vietnam are permitted to have observers present.

3. U.S. substantial engagement in the South China Sea Disputes

Regarding the South China Sea disputes, the U.S., in principle, emphasized using peaceful means to solve sovereignty issues, and urged all related claimant nations to follow the regulations of international law. The U.S. administration has underlined the concept of “Freedom of Navigation” and encouraged outside non-claimant nations to patrol the South China Sea in order to maintain peace and stability and play an important role to counter China’s further land reclamation.

Since 1983, U.S. government practice has emphasized its navigation and over-flight rights and freedoms on a worldwide basis,

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9. Matthew Pennington, “China criticizes Philippines over South China Sea dispute.”
10. Owen Bowcott, “UN tribunal at The Hague to rule on rival claims to South China Sea islands.”
which is coherent with the balance of interests reflected in the Law of the Sea Convention. This Freedom of Navigation Program activates a three-layered track, including diplomatic representations and operational assertions by U.S. military units and bilateral and multilateral consultations with other governments in order to promote maritime stability and reliability according to international law, emphasizing the need for, and obligation of, all States to stick to the customary rules and practices of international law reflected in the UNCLOS.\textsuperscript{12}

The U.S. side is very worried about the military and diplomatic developments of China’s expanded presence in the South China Sea, and is concerned that Beijing’s boosting its presence will stimulate and encourage China’s intimidation of other small claimants, and even allow Beijing to exercise power over other regional states that cannot counter its capabilities.\textsuperscript{13} According to the U.S. “Asia-Pacific Maritime Security Strategy,” “South China Sea territorial and maritime disputes revolve around three primary issues: (1) competing territorial claims among claimants, (2) competing maritime claims among claimants, and (3) excessive maritime claims asserted by some of the claimants.”\textsuperscript{14}

On April 10, 2015, when U.S. President Barack Obama was asked about the issue during a visit to Jamaica, he said that China is not essentially abiding by international norms and rules, and “is using its sheer size and muscle to force countries into subordinate


positions” and “we think this can be solved diplomatically, but just because the Philippines or Vietnam are not as large as China doesn’t mean that they can just be pushed aside.” Furthermore, the U.S. together with the European Union has called on China to respect the outcome of the Philippines’ arbitration case against China in the maritime disputes. The U.S. and its allies are optimistic that the Arbitral Tribunal at The Hague will rule against China’s comprehensive assertions together with its gradually aggressive posturing in the area.

In sum, the U.S. position in these disputes has four principal components that can be summarized as follows: the U.S. does not accept the sovereignty of any of the disputed land features in the region; territorial disputes should be solved diplomatically and without the use or threat of force; freedom of navigation and access to the maritime commons should not be interfered with; and international law should be respected.

In the past, the U.S. adopted a more “conservative relationship between competition and cooperation” with China. But now, facing the SCS issue, it seems that the U.S. is worried and seeks to prevent China from seizing a global opportunity to challenge American power and leverage. Disputes in the SCS are a challenge to ASEAN and other countries outside the region. The U.S. hopes to be a focal point for other coalition countries to contain China.

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The situation is rather like playing ball, in which the other countries are the fingers of the hand and the U.S. is the arm which controls the movement of the hand, thus, the U.S. dispatch of warships and fighter planes to the SCS is to reinforce the formation of the force, and support her allies by giving them greater confidence to resist China. If no nation challenges the U.S. grand strategy, then the emergence of the SCS within that strategy is the best way to counter China.

Constructivism in international relations is a theory which emphasizes the relationship between “identity” and “interest,” whereby in seeking the “dominant” status in the SCS, the U.S. is seeking the construction of its identity. As a big power, the U.S. is clearly leading the alliance to oppose China’s “interest.” In other words, the U.S. aims to take a leading role in the SCS “initiative,” and then change the regional interests of all the countries involved, including of the U.S.. For as long as China continues to take a variety of actions in the SCS, U.S. “identity” will have a cumulative effect.

III. Stance and Policy of the Claimant Nations

Throughout the power competition between U.S. and China—i.e., China’s active land reclamation and the U.S.’ dispatch of warships and aircraft enter the area—claimant nations welcome the U.S. acting as an interest protector of their interests to counter China’s maritime ambitions. At the same time, they are afraid of being implicated in causing trouble. So every nation will choose its own way of relating to the U.S. or China.

1. Attitude and Policy of the Philippines

Due to China’s refusal to withdraw its ships in 2013 from a disputed shoal the Philippines instigated arbitration against China’s
claims over the whole SCS. It contends that China’s massive land reclamation and facilities in the northern part of the Spratly Islands do not correspond with the 1982 UN Convention on the Law of the Sea and should be declared invalid. Also, the Philippines asserts that some Chinese-occupied reefs and shoals do not engender a claim to territorial waters.\textsuperscript{18}

In order to counter China’s deployment and to enhance strategic relations with non-regional major powers, especially the U.S. and Japan, the Philippines has developed its historic ties with the U.S. and also won support from Japan, which is eager to strengthen its ties with ASEAN.

On June 2015, Japan and the Philippines signed a strategic partnership and agreed to hold talks on the sale of Japanese military hardware to the Philippines, including radar technology and Orion P-3 aircraft. In past years, Japan had already agreed to supply 10 patrol vessels to boost the Philippine Coast Guard.\textsuperscript{19} On February 29, 2016, Japan and the Philippines signed an agreement, which contained a new framework for the supply of military hardware and technology as well as provisions for joint research and development projects. This new agreement covers joint military training and the donation of used Japanese military equipment to the Philippines. What is most important is that this is the first time that Japan has signed such an agreement with a Southeast Asian country.\textsuperscript{20}

\textsuperscript{18} Matthew Pennington, “China criticizes Philippines over South China Sea dispute.”
In sum, the Philippines started international legal action to accuse China over its claim to sovereignty in the Spratly Islands. Manila has also boosted modernization of its military, especially for maritime security. Hence Manila has enhanced its security cooperation with the U.S. and accepted a patrol boat from Japan to safeguard its territorial waters.

2. Assessment of Vietnam’s Strategy

Before 2014 China and Vietnam had good relations owing to their economic interdependence and for geo-strategic reasons. But an incident involving an oilrig in 2014 was a turning point for China-Vietnam relations. China’s exploration for oil in the Paracel Islands and around Vietnam’s Exclusive Economic Zone will have an impact on Vietnam’s development of offshore petroleum. In order to safeguard its economic and security interests, Vietnam openly challenged China’s position in the Paracels and speeded up its purchase of advanced weapon systems from Russia, especially a conventional Kilo-class submarine and also asked India for help with military training.

In addition, Vietnam has built up Cam Ranh Bay for maritime-based forces to threaten China’s PLAN South China Sea fleet during its patrols from the South China Sea to the Malacca Straits. From an economic perspective, Vietnam has invited foreign oil companies to join in exploration for offshore petroleum in order to balance China’s activities. Actually, Vietnam has been spending billions of dollars developing a submarine fleet, shore-based artillery and missile systems, multirole jet fighters and fast-attack ships and its most important providers are Russia and India. The first of Vietnam’s new advanced Kilo-class

submarines has begun patrolling disputed waters in the SCS and Vietnam is also increasing its use of the strategically important Cam Ranh Bay deep-water harbor, where 6 of the submarines will be based by 2017. In addition, because of the geo-strategic importance of Cam Ranh Bay, which provides ships easy access to the disputed waters and the Indian Ocean through the Straits of Malacca, Vietnam has signified it may invite non-Chinese navies such as those of Russia, the United States and Japan to send ships and submarines to the harbor for maintenance and logistics support. In addition, Japan has concluded a series of deals with Vietnam to enhance its maritime security, including the provision of coast-guard vessels, and the two governments have agreed to hold their first-ever joint naval exercise in the near future.

When the USS Curtis Wilbur sailed within 12 nautical miles of Triton Island in the Paracels archipelago, the U.S. navy said this move had sought to challenge attempts by the multiple claimants to restrict navigation rights in the area. China protested directly but Hanoi delivered a moderately mild response saying all countries should make a “positive and practical contribution to the peace and stability” of the sea, i.e., U.S. operations mainly targeted China and Hanoi would see them as a positive move.

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22. Lindsay Murdoch, “South China Sea dispute: Vietnamese subs deployed as deterrent to China.”
Furthermore, in recent years Vietnam has also acquired advanced air defense missiles from Russia and Israel. An article published on October 30, 2015 mentioned that Vietnam had imported new air-defense weapons and aircraft, including surface-to-air Python and Derby (SPYDER) missiles, S-300PMU1 and S-125-2TM, multifunctional fighters Su-30MK2, and twin-turboprop tactical military transport aircraft Casa-295. In fact, SPYDER is a system of advanced short-range and medium-range air defense missiles, which is designed to destroy airborne targets such as aircraft, cruise missiles, and unmanned aerial vehicles (UAV) in any weather conditions.24

3. Assessment and Reaction of Malaysia

Malaysia has always kept a low profile regarding the island called Swallow Reef it occupies and has built up as an international recreation center called “Pulau Layang Layang Resort” with visa waivers. The Reef is an important marker in the Palawan Passage. Recently the Chinese coast-guard has cruised not far from Sarawak Bay and this action has changed Malaysia’s South China Sea policy from its previous more cautious posture so as to safeguard the maritime interests of its EEZ.

The Malaysian Deputy Prime Minister, Zahid Hamidi, criticized Beijing’s historical claim based on its nine-dash line in the SCS together with its building of facilities on features 3,218 kilometers from the Chinese mainland and only 155 kilometers from Sabah. He emphasized that China’s claim at this part of the South China Sea due to its historical narrative was invalid and he pointed out that “we

have a country that is building 3 km-long airstrips and harbor capabilities, apparently for its coast-guard”, but this kind of statement “makes no sense when that country’s mainland is more than 3,000 kms away.”

On June 2, 2015, it was reported that a Chinese coast-guard ship had been detected interfering in Malaysian waters at the Luconia Shoals (Beting Patinggi Ali). In this case, the Chinese vessel was not just passing through, but had been disobediently anchored just 84 nautical miles from the coast of Sarawak, well inside Malaysia’s exclusive economic zone. This posed a clear threat not only to the country’s claims in the SCS, but also to its extensive natural resources there as well as the territorial integrity of the nation. Shahidan Kassim, a minister in the Prime Minister’s Department, told a press conference that Malaysia had sent its navy and coast-guard to monitor the area “to ensure the sovereignty of the country.”

In sum, as a sovereign nation, Malaysia has conventionally protected its interests in the SCS quietly without damaging its inclusive relationship with Beijing, but owing to China’s patrols has become gradually alarmed and this has impacted its low key policy.

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27 Prashanth Parameswaran, “Malaysia Responds to China’s South China Sea Intrusion.”
IV. Stance and Policy of the Non-Regional Major Powers

1. Execution of the U.S. Asia-Pacific Maritime Security Strategy

In addition to the U.S. as the key player regarding encompassing China’s power projection into the South China Sea, Japan, Australia and India are major nations, which are involved in this complicated power struggle in the Asia-Pacific region. Since 2009 when Obama’s administration entered its second term and began its “Pivot to Asia”, and latter a “Rebalancing toward Asia”, the U.S. has sought to contain China from the first west pacific island chain. To counter the U.S. policy toward China, Beijing has shifted its target toward Central and West-Asia to Europe, in an initiative called “One Belt, One Road,” set up the “Asian Infrastructure Investment Bank” (AIIB) and a “Silk Fund” to increase its economic and security clout on the Euro-Asian continent.

Owing to the complete scale and speed of China’s land reclamation activities in the South China Sea, the U.S. government has adopted a stronger approach. On the one hand, it began handling Freedom of Navigation Operations (FONOPs) in the neighborhood of Chinese-occupied land features in the South China Sea. The U.S. began to deploy destroyers and advanced aircraft to challenge China’s claims to sovereignty. The commander of the U.S. Pacific Command, Admiral Harry B. Harris Jr., essentially notified China by declaring that “you will see more of them [FONOPs], and you will see them increasing in complexity and scope in areas of challenge.” On the other hand, the U.S. administration is principally intent on mobilizing a multilateral coalition against China. Japan, Australia and India have

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28 Richard Javad Heydarian, “China’s aggressive posture in South China Sea.”
been called upon to provide freedom of navigation patrols in the South China Sea, with Japan’s Maritime Self-Defense Force considering the scenario of joint patrols close to China’s artificial islands.

2. U.S.-Indian Engagement in the South China Sea

The South China Sea has become an important transit area from the Pacific to the Indian Ocean. If this sea were to become China’s internal sea this would impact U.S. maritime dominion in the Asia-Pacific region. The U.S. has encouraged all nations around the South China Sea to adopt a bilateral or multilateral approach to retain China’s projection of power in this area.

There are three important reasons why the U.S. and India are engaged in the South China Sea. First, both nations share similar ideas of maritime security and ensuring freedom of navigation and over-flight throughout the region as exposed in the January 2015 “U.S.-India Joint Strategic Vision for the Asia-Pacific and Indian Ocean Region.” Second, the U.S. Department of Defense and the Indian Ministry of Defense are advancing their bilateral maritime security partnership, through growing bilateral exchanges between military personnel and by engaging in military exercises. Third, both Nations are active in building regional partner capacity and Maritime Domain Awareness (MDA) in the region.”

3. Safeguarding Japan’s Southwards Sea-Lane of Communication

Since 2013 owing to the Diaoyutai islet issues, Japan has plunged into conflict of sovereignty with China and Taiwan. According to the U.S.-Japan Security Alliance, Washington considered the islets

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as their mutual defense area and supported Japan in normalizing its security posture. Consistent with newly-released U.S.-Japan security guidelines, Tokyo has extended the international role of its Self-Defense Force, i.e., the Japanese SDF can join unilateral and multi-lateral operations under the UN’s peacekeeping operations.

Facing China’s deployment in the South China Sea, Japan has cooperated with U.S. grand strategy to contain China, since she also views the South China Sea as of vital interest as a sea-lane of communication. Japan has already helped the Philippine’s to enhance its littoral patrol capabilities and has extended P-3 patrols into the South China Sea.

In an interview in January 2016 with the Financial Times and Nikkei Weekly, Japanese Prime Minister, Shinzo Abe intervened frankly in the territorial disputes in the SCS between China and its neighbors. He underlined that Japan had “very strong concerns over China’s unilateral attempt to change the status quo in the South China Sea,......Such a unilateral challenge against the international order cannot be tolerated, and the international community should raise its voice against this.”30 For the time being, Japan is not ready to conduct a similar “freedom of navigation” operation—a move that would provoke China and could raise concerns among South East Asian nations that were occupied by Japan during World War II. But Japan has changed the arrangement of its foreign military operations procedure.

On January 10, 2016, Japan proclaimed that it would re-route military aircraft returning from anti-piracy operations in the Horn of Africa. Traditionally, these aircraft refuel in Singapore and Thailand,

30 Peter Symonds, “Japan heightens its profile in the South China Sea.”
but this time the two P-3 Orion maritime patrol and anti-submarine aircraft landed in Vietnam, Malaysia and the Philippines.31

In December 2015 during Prime Minister Shinzo Abe’s visit to India, the two nations called upon all states to avoid unilateral actions that could lead to tension in the region in view of the critical importance of open sea lanes of communication in the South China Sea for regional energy security, trade, and commerce, which underpin the continued peace and prosperity of the Indo-Pacific. India and Japan also underscored the need for full and effective implementation of the 2002 Declaration on the Conduct of Parties in the South China Sea and an early conclusion of the negotiations to establish a Code of Conduct in the South China Sea by consensus. China promptly expressed its disapproval of this by labeling India and Japan as “countries outside the region.”32

4. Maintaining a Maritime Route of Trade Communication Northwards

Basically, Australia regards the U.S. as its most important ally in the Asia-Pacific and maintains good relationships with the U.S. and provides Darwin, located in the northern part of Australia, as a training place for the U.S. marine corps. At the same time Australia has emphasized its economic relationship with China and views China as an important economic partner in Asia.

Facing a power struggle between U.S. and China in the South China Sea, Australia has applied a policy of “political and economic

31 Peter Symonds, “Japan heightens its profile in the South China Sea.”
separation,” joined U.S. Freedom of Navigation operations, and urged China to follow the regulations of the UN Convention on Law of the Sea. Australia has urged China and Southeast Asian countries squabbling over territory in the South China Sea to sign a code of conduct immediately. In 2015 during a speech to an Asia Pacific security summit in Singapore, Australia’s Defense Minister, Kevin Andrews, emphasized that, “We are particularly concerned at the prospect of militarization of artificial structures.” During a visit by Chinese Foreign Minister, Wang Yi, the Australian counterpart, Bishop, said that Australia did not take sides, but was awaiting the outcome of a challenge by the Philippines to China’s territorial claims at an arbitration court in The Hague. Bishop emphasized that Australia recognizes the Philippines’ right to pursue the matter through arbitration, but Australia desires all claimants to resolve their disputes peacefully without coercion or intimidation.

In 2016 Australia’s Defense Ministry said that since “China will not match the global strategic weight of the U.S., the growth of China’s national power, including its military modernization, means China’s policies and actions will have a major impact on the stability of the Indo-Pacific.” Therefore, Australia is facing a security dilemma. At the same time as it hosts U.S. marines and military exercises in its faraway northern region of Darwin, Australia still seeks

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stronger economic ties with its largest trading partner, China.\textsuperscript{36}

According to the \textit{2016 Defense White Paper}, Australia will boost defense spending by A$29.9 billion ($21.5 billion) over the next decade, including increasing naval capacity owing to concern over Chinese militarization in the SCS. This strategic blueprint called on China to be more transparent about its defense policies. Altogether 25 percent of defense capital expenditure moved to maritime capabilities in what it describes as “the most comprehensive regeneration of our Navy since the Second World War” and Australia is planning to purchase 12 new submarines for its Future Fleet Program, 9 new anti-submarine frigates and 12 offshore patrol vessels.\textsuperscript{37}

According to Andrew Davies, defense analyst for the Australian Strategic Policy Institute, “If you have a look at where the money’s going, which is the ultimate test, it’s going to a significant upgrade in Australia’s maritime capabilities” and “even if the paper doesn’t explicitly say our biggest security worry is the behavior of China, when you look at where the hardware is going, that’s what we’re hedging against.”\textsuperscript{38}

\section*{5. India Reinforces the Act East Policy toward the Asia-Pacific region}

Since 1990, when China’s rise expanded Beijing’s power into the Indian Ocean and helped Pakistan to counter India’s presence in


\textsuperscript{37} Jason Scott, “Australia Boosts Defense Spend as South China Sea Tensions Rise.”

\textsuperscript{38} Jason Scott, “Australia Boosts Defense Spend as South China Sea Tensions Rise.”
South Asia, New Delhi has adopted a “Look East Policy” to enhance economic relations with ASEAN and Japan.

From the Indian perspective, the South China Sea sees a heavy percentage of world trade and around 50% of India’s trade passes through the Malacca Straits. The SCS region is believed to have enormous reserves of oil and natural gas. But the presence of China’s military threatens trade and energy exploration for other countries. In addition, from a strategic point of view, as suggested by Defense Minister, George Fernandez, India might be interested in developing a military and air base in SCS to counter China from different directions because of the increasing Chinese presence in Indian Ocean which has become an enormous problem of concern for the Indian Government.39

After Narendra Modi became Prime Minister and began India’s “Act East Policy” and strengthened economic ties with ASEAN, coordinating with the U.S. in an “Indo-Pacific Strategy.” Therefore, India has not only enhanced its relations with Japan, but also increased military and economic exchanges with Vietnam. The purpose of India’s regional strategy is to become a balancing power and important ally of ASEAN. India’s involvement in the South China Sea is mainly due to economic reasons, to counter China and to maintain good relations with ASEAN.

Originally, India had friendly relations with ASEAN countries and a hostile relation with China. ASEAN nations have encouraged India to get involved in the SCS, because they see India as a strong

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and influential nation that can counter China. At the same time, India sees this as an opportunity to develop strong relations with 10 ASEAN nations and Japan and also help India to gain support from other countries in case China generates a problem for India.40

In fact, Vietnam has approved India to set up a satellite tracking and imaging centre in southern Vietnam that will offer Hanoi pictures from Indian earth observation satellites, which cost US$24 million, and which will be run by India’s Space Research Organization. These satellites can cover Asia, including China and the South China Sea. Vietnam’s Foreign Ministry has confirmed the tracking station would supply Vietnam real-time access to images from Indian satellites, together with training in imagery analysis.

According to an expert on Vietnam from Australia’s Defense Force Academy the two nations’ interests are “converging over China and the South China Sea” and modernizing their militaries as China has assertively risked its claim for about all of the South China Sea.41 In addition, Indian experts have trained Vietnamese sailors to maintain their new advanced Kilo-class Russian-built submarines. In return, Vietnam has granted oil exploration blocks to India in waters that are disputed with China, while India has extended a US$100 million credit line for Hanoi to buy patrol boats.42

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40. Bhavesh Ratan, “Why is India getting involved in the South China Sea?”
42. Lindsay Murdoch, “Vietnam to gain satellite views of South China Sea thanks to Indian agreement.”
According to a retired Indian Air Force group captain, Ajay Lele, at the New Delhi-based Institute for Defense Studies and Analyses the reason why India wants to engage Vietnam in every sphere is clear — China.43

V. Conclusion

According to the outcome of prior studies, this paper believes that its main argument and three hypotheses have been verified to be logical assumptions, which coincide with the development of the SCS disputes. Firstly, the U.S. Navy has speeded up the tempo and range of its patrols because of China’s increased reclamation of land in the Spratly Islands. It has done this via a Freedom of Navigation Operation to restrain China’s claims on its man-made islands and manifest the U.S.’ maritime domination in the Asia-Pacific region.

Secondly, nations that claim sovereignty have different stances owing to different geo-strategic concerns, such as the Philippines with U.S. help not only wants international arbitration against China, but provides military bases and facilities for U.S. Air and Naval forces. Although Vietnam has strong economic ties with China, yet Vietnam enhances its military capabilities to counter Chinese maritime deployment. And Malaysia has also changed its modest position since China has patrolled a nearly Exclusive Economic Zone, in order to safeguard its maritime security and interest.

In summary, the three claimant nations of ASEAN publicly will not take either the U.S. or China side, in order to prevent jumping into

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conflict between the two. Other non-regional major powers in the Asia-Pacific are eager to participate in this matter. For one thing they support the U.S. stance to counter China’s influence in the area; on the other hand, they can form close ties with claimant nations to widen their military and economic interests in the SCS, *i.e.*, the U.S. has articulated a so-called “complex bilateral cooperation mechanism” (CBCM) among nations in the Asia-Pacific region to counter China’s unilateral changing the status-quo in the SCS.

After analyzing the situation in the SCS, Taiwan must seize this new development to boost its position and interests. Since the largest natural island, Taiping Island (Itu Aba), falls under Taiwan’s jurisdiction, it has very important strategic significance. The entry of the U.S. destroyer, the USS Dilbert, into the seas around Duncan Island in the Parcels Islands was a challenge to three nations that claim sovereignty: China, Vietnam and Taiwan. Taipei should stress its identity as a claimant to enhance Taiwan’s international participation and exercise the role of a peace-making stakeholder.

From a strategic perspective, Taiwan should not openly take the side of the U.S. or China regarding changing or maintaining the status quo, instead Taiwan has already released the “SCS Peace Initiative” to carry out and accomplish Taiwan’s international responsibility to ease tension in the Spratly Islands and to create Taiping Island as a peaceful, humanitarian and non-traditional security hub in the region. Technically, Taiwan should increase civil construction and facilities on Taiping Island in order to provide more assistance for the purpose of natural resources research, disaster relief and international participation.
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