

# Taiwan Needs a Low-Profile but Active South China Sea Policy

**Jiann-fa Yan**

*Professor, Department of Business Administration,  
Chien Hsin University of Science and Technology*

## **Abstract**

With its military presence in the South China Sea, Taiwan is one of the stakeholders. Taiwan's presence is solid, owing to the balance of power in the region, even though Taiwan's voice is not loud enough. Taiwan's geo-political value with invisibility and silence sometimes means great potential. The author argues that an interest-based approach would be much more helpful than a rights-based one in resolving the disputes. More dialogue and negotiation can serve long-term interests for the involved parties, even though the way of dialogue has been overshadowed by a confrontational approach. A negative approach will make the involved parties exacerbate their harm to each other; it will also destabilize the region. The author suggests that Taiwan needs a more holistic self-assessment in dealing with the South China Sea issues instead of following the examples of the Philippines and Vietnam. Taiwan may find another way of "de-militarization" and "non-political" participation. This is the time for Taiwan's government to actively manage this issue and make the existence of the islands more substantial before Taiwan is marginalized. Hence, Taiwan requires a top-level design to work out a new grand strategy with workable measures taking international laws and real politics into consideration.

**Keywords:** South China Sea, UNCLOS, Taiping Island, Taiwan, East China Sea Peace Initiative

## **I. The Rising Strategic Value of the South China Sea**

Located at the junction of the Pacific and Indian Oceans, the South China Sea has three island groups: Nansha Islands (Spratlys), Xisha Islands (Paracels), and Zhongsha Islands (Macclesfield Bank). Among them, the Nansha Islands are the most widely distributed group of islands. The Nansha Islands are located in the tropics, with rich seabed resources, including fish, oil, gas, and mineral resources.

The annual fisheries production of the South China Sea ranks 4<sup>th</sup> out of 19 catching areas in the world.<sup>1</sup> Nevertheless, the traditional fishing grounds in this area face depletion of ocean resources, so, in the future, the resources in the South China Sea will become more valuable to the relevant coastal countries if the catch remains sufficient. Oil was found in the South China Sea in 1969. In early 1970, the oil crisis broke out, and the importance of the South China Sea islands suddenly increased. It has been roughly estimated that the South China Sea will ultimately yield 130 billion barrels of oil; it even has been called “the second Persian Gulf.”<sup>2</sup>

The South China Sea also is regarded as the throat of the Western Pacific and Indian oceans. It is estimated that more than half of the world’s annual merchant fleet tonnage passes through this area, and

---

1. PRIO Network, “Maritime Conflict in Asia,” May 2011, *PRIO*, <<http://www.prio.no/Maritime-Conflict-in-Asia/>>.

2. Moses Ekpologo, “South China Sea: The New Persian Gulf?” *Defense Industry Bulletin*, January 23, 2012, <<http://www.defenceiq.com/naval-and-maritime-defence/articles/south-china-sea-the-new-persian-gulf/>>.

around 67 percent of South Korea's energy supplies, 60 percent of Japan and Taiwan's energy supplies, and 80 percent of China's crude oil imports come through it.<sup>3</sup>

In an environmentalist view, crises also are emerging. The undersea environment of the South China Sea has suffered enormous destruction, covering the fish, coral reefs, and other creatures. This crisis implies that multilateral cooperation in the undersea environment is essential for this region. Nevertheless, any cooperation requires the resolution of sovereignty disputes. It is essential to have an environmental initiative to promote this region.

In addition, the economic and strategic issues in this area are also related to outside powers, especially the United States. Critical to the contest for influence in the Indian Ocean and the larger Indo-Pacific region, the South China Sea has emerged as the symbolic center of the international maritime challenges of the 21<sup>st</sup> century.

In this region, Taiping Island, the largest island of the Nansha Islands, was recovered by Taiwan (Republic of China) in 1946. Mainland China began to claim sovereignty over Nansha in 1951. The Philippines occupied three islands in 1968. South Vietnam occupied five islands in 1973. In 1978, the Philippines occupied more, which are called Freedom land or Kalayaan. Malaysia began its claim in 1979. Until now, Vietnam accounts for 28, Mainland China 8, the Philippines 7, Malaysia 3, Indonesia 2, Brunei 1, and Taiwan 2. In 1988, Mainland China and Vietnam had a serious military confrontation at Johnson Reef. Ever since 1995, Mainland China and the Philippines

---

3. Robert D. Kaplan, "The South China Sea will be the battleground of the future," *Business Insider*, February 6, 2016, <<http://www.businessinsider.com/why-the-south-china-sea-is-so-crucial-2015-2>>.

have had endless conflicts at Mischief Reef<sup>4</sup> and, in 1995, at Scarborough Shoal.

In an “interest-based” way of thinking, the South China Sea has both economic and geostrategic value. Since Mainland China, Japan, South Korea, Taiwan, the Philippines, and Vietnam rely on external trade of goods and oil supply, safe navigation through this area is crucial for all. Malaysia’s development of industry relies on the exports of oil and liquefied natural gas; it is also concerned about the South China Sea for the security significance. Brunei stresses the fisheries and the security strategy. Their survival in this area relies on the security and the unimpeded waterway. The security issue includes the activities of anti-piracy and anti-terrorism, as well as military exercises among regional powers.

In recent years, it has been tremendously turbulent. The first overt standoff, which finally led to an international dispute, was between Mainland China and the Philippines in the Democracy Reef (known as Huangyan Island in Chinese or Panatag Shoal in Philippine) waters on April 10, 2012. Currently, the Philippines is seeking a resolution at the Hague-based international tribunal, but Mainland China has refused to join the arbitration process.<sup>5</sup> Afterwards, Mainland China and Vietnam accused each other of violations of their sovereignty in the oil-rich South China Sea on November 30, 2011. The confrontation between the two countries has turned tense. The tension has

---

4. Sopheada Phy, “The Management of the Spratly Islands Conflict: Success or failure?” *Peace and Conflict Monitor*, June 2, 2009, <[http://www.monitor.upeace.org/innerpg.cfm?id\\_article=623](http://www.monitor.upeace.org/innerpg.cfm?id_article=623)>.

5. Pia Lee-Brago, “Int’l Court Tells China: Answer Phl Complaint,” *Philstar*, June 5, 2014, <<http://www.philstar.com/headlines/2014/06/05/1331178/intl-court-tells-china-answer-phl-complaint>>.

escalated since May 7, 2014, when a Chinese platform began drilling for oil near the Paracel Islands (known as Xisha in Chinese or Hoàng Sa Archipelago in Vietnamese), which are also claimed by Vietnam. This was followed by several waves of strong anti-China protests and riots in Vietnam until May 18. It has been reported that Vietnam would follow the lead of the Philippines in seeking an international tribunal.<sup>6</sup> Apparently, these two events pushed the Philippines and Vietnam to stand side by side and to propose sharing marine resources in the disputed waters.<sup>7</sup> Mainland China was pushed to the hostile side.

Provocatively, in less than two years, China has reclaimed nearly 20 times as much artificial land as rival claimants together have in the past 40 years. Although the U.S. has always refused to take sides in the South China Sea disputes, it is very concerned about the Asian power equilibrium and international maritime security, so the U.S. has to show its strong presence in this region. U.S. National Security Adviser Susan Rice has vowed that American forces will “sail, fly and operate anywhere that international law permits,” and that the “freedom of navigation” patrols would resume.<sup>8</sup>

---

6. Martin Petty, “Vietnam Stops Anti-China Protests after Riots, China Evacuates Workers,” *Reuters*, May 18, 2014, <<http://www.reuters.com/article/2014/05/18/us-china-vietnam-idUSBREA4H00C20140518>>; Keira Lu Huang, Kristine Kwok, & Teddy Ng, “Tensions between China and Vietnam Escalate in Row over Boat Sinking,” *South China Morning Post*, May 28, 2014, <<http://www.scmp.com/news/asia/article/1519837/chinese-fishing-vessel-sinks-vietnamese-boat-south-china-sea?page=all>>.

7. Esmaquel II, Paterno, “Philippines, Vietnam can share disputed sea – envoy,” *Rappler*, May 21, 2014, <<http://www.rappler.com/nation/60511-vietnam-philippines-joint-exploration-south-china-sea>>.

8. The Economist, “Who Rules the Waves?” *The Economist*, October 17, 2015, <<http://www.economist.com/news/international/21674648-china-no-longer-accepts-america-should-be-asia-pacifics-dominant-naval-power-who-rules>>.

## **II. Two Approaches for Resolving the South China Sea Disputes**

The muscle flexing between warships of different nations at sea has created an embryonic risk of armed conflict. With the rise of its strategic value, the South China Sea has become an armed camp. Different from the atmosphere of a decade ago, the way of dialogue has been overshadowed by a confrontational approach. The meaning and models of the events can be elucidated into two approaches in resolving the South China Sea disputes.<sup>9</sup>

### **1. An “interest-based” solution**

This approach does not touch upon the issue of sovereignty and is ultimately intended to establish rules of the game for claimants. The interest-based solutions or institutional channels also are known as the idea of “putting aside disputes and seeking common development.” This is a method where the relevant parties seek consultation through constructivism. It advocates a peaceful solution beneficial to everyone, where, due to some visible potential conflicts, the prospect of peace is dim. In theory, the benefits of a peaceful solution are good for everyone, but the outlook seems not so optimistic for resolution of the conflict. Claimants have tried to avoid conflicts, but this is not easily attainable because of the involvement of practical benefits. The claimants, caring only about their own interests, mostly have adopted a “non-cooperation” strategy since they are worried that any cooperation would recognize the legitimacy of the claims of their opponents, so conflict management is often ineffective.

---

9. Jiann-fa Yan, “Co-managing the South China Sea and the East China Sea Resources: Challenges and Opportunities,” Szu-shen Ho & Kuan-hsiung Wang, eds., *A Bridge over Troubled Waters: Prospects for Peace in the South and East China Seas* (Taipei: Prospect Foundation, 2014), pp. 235-257.

A constructive way was greatly advocated during the period of China-ASEAN honeymoon from the late 1990s to early 2000s. November 4, 2002, China and ASEAN signed the Declaration on the Conduct (DOC) in Cambodia. This was followed by the signing parties expressing their willingness to further develop a “Code of Conduct in the South China Sea,” but finally, they delayed the signing.<sup>10</sup> In September 2004, Mainland Chinese, Philippine, and Vietnamese state-owned oil companies signed a joint code of conduct in conducting marine seismic activities in the Spratly Islands. Nevertheless, due to the sovereignty disputes not being resolved satisfactorily, there is a lack of a fixed security architecture for the six overlapping claimants to settle territorial disputes in the South China Sea. During the process, Taiwan has been intentionally ignored, as it does not have UN membership.

Respectively, Mainland China, Vietnam, and Taiwan have all claimed the entire Nansha; the Philippines, Malaysia, and Brunei have tried to strengthen the range of their claims in the name of their exclusive economic zones. The management of the conflicting interests eventually failed. Above all, Mainland China prefers a bilateral instead of multilateral track. In addition, it is incomplete to conduct multilateral negotiations without Taiwan’s participation.

## 2. A “rights-based” solution

In terms of self-interest, claimants always take a negative attitude towards each other. All of the claimants actively strive for sovereignty, and all are worried that the South China Sea would eventually become

---

10. Yi-minYang & Chien-sen Hu, 〈南方澳「現撈仔」業者：8成來自釣島海域〉, *Liberty Times Net*, September 26, 2012, <<http://www.libertytimes.com.tw/2012/new/sep/26/today-north11.htm>>.

an interior sea of Mainland China, thereby subject to China's hegemony. In this regard, the claimants look for solutions to the conflict through the International Court of Justice based upon UNCLOS. The International Court of Arbitration is an alternative way out, as negotiations cannot work out satisfactory settlements. Nevertheless, if the claimants are willing to submit the disputes to the International Court, each claimant would give up some rights, because the international court is bound to make a zero-sum judgment. Hence, there exist risks.

The lawsuit filed by the Philippines against Mainland China in 2013 is a typical case. The Philippines decided to bring the territorial dispute before the International Tribunal for the Law of the Sea (ITLOS) after it had "exhausted all political and diplomatic avenues for a peaceful negotiated settlement of its maritime dispute with China." China was reported to have formally rejected arbitration proceedings initiated by the Philippines. According to Annex VII of the UNCLOS, China's refusal will not necessarily impede the proceedings.<sup>11</sup>

In the globalized economy, however, to be pragmatic and realistic, the Asia-Pacific economy remains vibrant vis-a-vis the stagnant economy of the U.S. and Europe; rosy opportunities may be expected. Apparently, Mainland China's standoff with Japan, the Philippines, and Vietnam have told us that the "interest-based," instead of the "rights-based," approach can serve long-term interests for the involved parties. Realistically speaking, if the interest-oriented thinking is not adopted and each side only sticks to the rights-oriented one, then it is impossible to see long-term peace appear anywhere. The negative approach will make the involved parties exacerbate their harm to

---

11. "Scarborough Shoal standoff," March 2, 2016, Accessed, *Wikipedia*, <[https://en.wikipedia.org/wiki/Scarborough\\_Shoal\\_standoff](https://en.wikipedia.org/wiki/Scarborough_Shoal_standoff)>.



each other; it may also even hurt neighboring countries.

### **III. The Rising Head-on Confrontation between the U.S. and China**

#### **1. Rival Claimants in Managing the Disputed Waters**

Being well aware of China's incomparable military competence, Vietnam and the Philippines have tended to take a "civil-oriented" option. According to the 1949 Geneva Convention system, one is not permitted to kill civilians in a war, otherwise the violators would be committing a war crime. The civilized reefs are not merely a matter of military occupation, but rather the military presence is for protecting the civilians and, naturally, the deployment of troops makes it plausible to claim the jurisdiction effectively. Furthermore, for the relatively weak countries, like the Philippines and Vietnam, they tend to introduce international forces as their tactical priority in coping with strong power like China, which claims its core interests in the South China Sea.

China's response to the South China Sea issue has shown its conventional dialectics of the "soft/hard" strategy. Ever since the second half of 2013, China has started to strengthen its presence in the South China Sea by creating new islands on top of previously submerged features and creating conditions for these new islands to sustain human habitation. With them, China strongly bolsters its claims to the South China Sea. Besides, similar to the plots by Vietnam and the Philippines, China also has set up a variety of civil island facilities, and then, not only the PLA is expected to land, but also civilians set membership, live, and work on the islands, and even run tourism there in accordance with the management operations in Sansha City. On June 22, 2015, Ho Chi Minh City government

officially launched Nansha tourism; Malaysia has built hotels for tourism. China has opened tourist routes from Sanya to the Paracel Islands.

The South China Sea arbitration case is at a deadlock, hindering improvement of China-Philippines relations. In the face of it, Chinese Ministry of Foreign Affairs Wang Yi expressed strong dissatisfaction and criticism against the Philippines' decision to commence arbitration unilaterally. He said to the press after meeting with the Filipino president and secretary of foreign affairs that "We do not want to see the state of it getting worse, or even becoming a problem that defies a solution."<sup>12</sup>

Regardless of China's future sanctions that might be taken, however, Aquino took a hard-liner's approach, as if there were no compromise at all at the proposed arbitration against China at The Hague in 2013. The Chinese government refused to respond to the case, insisting that the court had no jurisdiction, and refused to attend the hearing when the Philippine team made its arguments. The decision delivered before the Philippine presidential election this May would offer the Philippine government a strategic advantage in consolidating internal cohesion.

At the same time, diplomatic maneuvers also play a vital role in dealing with the arbitration. The Philippines and Japan agreed to sign an agreement on the transfer of defense equipment or the agreement on visiting forces. This is not only in line with the willingness of Japan as a normalized country, but also, assisting the

---

12. Liang Jun, "South China Sea arbitration a deadlock hindering improvement of China-Philippines ties: China's FM," *People's Daily Online*, November 11, 2015, <<http://en.people.cn/n/2015/1111/c90000-8974735.html>>.

Philippines will also show Japan as an ally of the U.S.. More importantly, Japan may make good use of the South China Sea issue to resolve the pressure in the East China Sea and the Diaoyu islands. The Philippines has taken a path of combining legal efforts and diplomacy together.

The Philippines held separate drills near the South China Sea with the United States and Japan in the end of June 2015. In April 2015, the United States and the Philippines held “shoulder to shoulder military exercises,” and expanded the scale, while the Japan Ground Self-Defense Force (JGSDF) also sent members to observe the exercises. In June 2015, Japan signed with the Philippines as Aquino visited Japan; both sides reached “The Agreement regarding the Transfer of Defense Equipment” and discussed “The Agreement on Visiting Forces” preparing to allow Japanese troops to be stationed in the Philippines. The Japan-Philippine drill simulated maritime search and rescue operations, which was part of the drill’s larger focus on humanitarian assistance and disaster relief. A Japanese surveillance plane flew over disputed waters in the South China Sea as part of joint drills with the Philippines.<sup>13</sup>

In a military sense, the Philippines would feel more secure as Japan-Philippines joint military exercises were undertaken near the waters around the Huangyan Island, Half Moon Shoal, and Second Thomas Shoal, where Filipinos have met China’s maritime law enforcement.

---

13. Shannon Tiezzi, “Joint Japan-Philippine Flight Over South China Sea Riles China,” *The Diplomat*, June 25, 2015, <<http://thediplomat.com/2015/06/joint-japan-philippine-flight-over-south-china-sea-riles-china/>>.

## **2. The Role of a Balancer Played by the U.S.**

In accordance with its rebalancing policy in Asia, the U.S. reasserts freedom of navigation in the South China Sea. In the test of its status as a balancer and the maker of the rules of the game, the U.S. occasionally sends ships within the 12-mile limits that China has placed around its newly reclaimed islands. While tensions in the South China Sea have escalated, led by the U.S., the outsiders, including Japan and the Group of Seven, expressed their support for the freedom of navigation and overflying on the 21<sup>st</sup> ASEAN-China Senior Officials' Consultations, ACSOC, held June 3-4, 2015. The parties surrounding the South China Sea agreed to the full and effective implementation of the "Declaration on conduct of parties in the South China Sea," and, at the same time, through negotiations, signed "the South China Sea Code of Conduct" (COC).

The U.S. and China have agreed to continue constructive communication on the relevant issues. In other aspects, however, including land reclamation, militarization of the reefs on the South China Sea, as well as international arbitration, big differences between the two remain. The U.S. officials have warned China, no matter how much land reclamation area was created, it would not produce sovereignty. In other words, to claim ownership of the territorial sea, it must comply with the provisions of Article 121 of the "United Nations Convention on the Law of the Sea." Nevertheless, since China has worked very hard in the land reclamation, it is improbable to expect China would accept it. When the mechanism is set up for the encountering between the U.S. military and Chinese PLA, it implies that China's sphere of influence in the South China Sea has been tacitly acknowledged.

In the face of China's expansionism, the U.S. also has taken

some necessarily preventive measures by collaborating with the Philippines and Vietnam in military deployments. In defending Guam from China's threat, the U.S. put up a defensive line with the Philippines under a 10-year defense pact signed in April 2014. The U.S. is allowed to use at least eight military bases in the Philippines, where it can rotate its troops, planes, and ships, and enable rapid access to the Spratly archipelago in the South China Sea, where China is digging in with a chain of island-fortresses.<sup>14</sup> On June 2, 2015, Defense Secretary of the U.S. Ash Carter and Vietnamese Defense Minister General Phung Quang Thanh were committed to deepening their defense relationship as Carter visited Vietnam. The U.S. provided \$18 million to the Vietnamese coast guard to purchase American Metal Shark patrol vessels; Carter also promised to help set up a new peacekeeping training center for the Vietnamese military so they can participate in peacekeeping operations around the world.<sup>15</sup>

Nevertheless, even though the U.S. offered Vietnam and the Philippines military support, the U.S. asked Vietnam to stop land reclamation projects. This is consistent with the desired balance of U.S. strategy. The U.S. is attempting to play a balancer role among China, Vietnam, and the Philippines while it is strengthening its rebalancing policy. In this regard, the status quo could be the wish of the U.S. This kind of attitude is similar to U.S. cross-Strait policy.

---

14. The Straits Times/Asia News Network, "Philippines, US to set up South China Sea defense line," *Inquirer*, May 31, 2015, <<http://globalnation.inquirer.net/123749/philippines-us-to-set-up-south-china-sea-defense-line#ixzz3vJm8Wad>>.

15. Cheryl Pellerin, "Carter: U.S., Vietnam Committed to Defense Relationship," *U.S. Department of Defense*, June 2, 2015, <<http://www.defense.gov/News-Article-View/Article/604763>>.

Ideally, an “interest-based” solution has been proposed, but a “rights-based” solution will be more realistic. Practical cooperation would certainly be a step in the right direction but, so long as the underlying disputes remain unresolved, the right-based option will overwhelm and threaten peace. It is foreseeable that someday, once natural gas and oil are found, no one would share gains with others. In other words, “the joint development” is only rhetoric.

For its rebalancing policy in the South China Sea, the U.S. is reinvigorating its alliances, cultivating relationships with emerging powers, developing relationships with regional multilateral bodies, and working closely with leading Southeast Asian countries on economic issues.<sup>16</sup> Realistically speaking, however, the Southeast Asian countries as a whole do not wish to take sides between the U.S. and China because China is their main trading partner but American military dominance makes them feel secure.<sup>17</sup> Basically, the interests inside ASEAN are not always homogenous. While they are concerned with their own national interests, few leaders will take a long view on the South China Sea issue for their short term of the office. Namely, it is very difficult to get ASEAN to agree to anything.<sup>18</sup> In the face of these uncertainties, the U.S. has to prepare itself for the worst by deploying more military forces in the region.

Similarly, in coping with it, China has proposed interpretations of international law that would potentially close the South China Sea to the U.S. Navy and it is simultaneously developing weapons with the capacity to deny the sea to American fleets.<sup>19</sup> A head-on con-

---

16. Bill Hayton, *The South China Sea: The Struggle for Power in Asia* (New Haven: Yale University Press, 2014), pp. 188-191.

17. Bill Hayton, *The South China Sea: The Struggle for Power in Asia*, p. 185.

18. Bill Hayton, *The South China Sea: The Struggle for Power in Asia*, pp. 188 -191.

frontation between the U.S. and China seems likely to emerge, although Chinese President Xi Jin-ping reiterates a “no conflict, no confrontation” policy toward the U.S..

#### IV. Taiwan’s Situation and Position

In order to lift crises and build peace in South China Sea, diluting the “rights-based” approach and stressing the “interest-based” approach seems to be an easy way to peace. Experiences learned from the South China Sea Conference over the past twenty years have shown that technical and scientific cooperation is much easier than the allocation of resources, territory, sovereignty, and jurisdiction. In the South China Sea, the relevant initiatives for cooperation have had some progress, such as biodiversity research, water exploration, and environmental monitoring.<sup>20</sup>

Some principles look helpful.<sup>21</sup> (1) The outbreak of conflict, especially armed conflict, does not help in resolving the disputes; instead, it will bring harm and loss for each other. (2) The political will to rationally settle disputes is the key to peace. (3) The parties should not legalize any territorial claims or use them in the public media in order not to make all of the positions stiff and difficult to compromise.

---

19. Bill Hayton, *The South China Sea: The Struggle for Power in Asia*, p. 207.

20. Hasjim Djalal, “The South China Sea: Cooperation for Regional Security and Development,” February 2, 2012, *East Sea (South China Sea) Studies*, <<http://nghiencuubiendong.vn/en/conferences-and-seminars-/the-third-international-workshop-on-south-china-sea/665-the-south-china-sea-cooperation-for-regional-security-and-development-by-hasjim>>.

21. Hasjim Djalal, “The South China Sea: Cooperation for Regional Security and Development.”

Regarding the South China Sea disputes, no doubt, Taiwan is one of the stakeholders. Bill Hayton asserts that, from a historical perspective, none of the claims to the islands – whether by Britain, France, the Republic of China, the People’s Republic of China, Vietnam, or the Philippines – appears to be entirely convincing.<sup>22</sup> Nevertheless, it is fair when Bill Hayton points out that, as it has been in control of the island for most of the past 70 years, the winner is highly likely to be the Republic of China (Taiwan). Since Taiwan’s position on Taiping Island is secure, Hayton suggests that Vietnam and the Philippines modify their positions and no longer seek sovereignty over large groups of islands but over specific named features.<sup>23</sup> Nevertheless, he may misdirect the argument by saying that “Only Scarborough Shoal could generate, at best, a 12-nautical mile territorial sea” in his book entitled *The South China Sea: The Struggle for Power in Asia*.<sup>24</sup> In the words of UNCLOS, if an island can sustain human habitation or economic life of its own, the island will be entitled to be an Exclusive Economic Zone, EEZ. Taiping Island (known as Itu Aba Island) fits the criteria.

To be a responsible stakeholder, Taiwan should be active in creating more positive measures to avoid unnecessary confrontation. On August 5, 2012, President Ma Ying-jeou called for jointly creating an environment for peaceful development in the East China Sea. He proposed his *East China Sea Peace Initiative*, resolving the Diaoyutai Islands dispute by saying “the sovereignty is ours, shelving disputes, peace and reciprocity, and common development.” Then, on September 7, 2012, he announced *East China Sea Peace Initiative Implementation Guidelines*, proposing that the relevant parties should exercise self-

---

22. Bill Hayton, *The South China Sea: The Struggle for Power in Asia*, pp. 97-99.

23. Bill Hayton, *The South China Sea: The Struggle for Power in Asia*, pp. 109-111.

24. Bill Hayton, *The South China Sea: The Struggle for Power in Asia*, pp. 117-118.



restraint, not increase oppositional action; should shelve disputes, not give up dialogue and communication; should abide by international law, settle disputes by peaceful means; should seek consensus and formulate a “Code of Conduct in East China Sea;” and should establish a mechanism to exploit resources in the East China Sea. On October 10, 2012, President Ma argued that the principle of the *East China Sea Peace Initiative* also is applicable to the South China Sea. This was Ma’s first attempt to combine the East China Sea and South China Sea together in a policy formula.

On January 30, 2016, President-elect Tsai Ing-wen reiterated her stance on the issue of sovereignty over the South China Sea, although she declined to send an envoy to join President Ma Ying-jeou’s visit to Taiping Island. Tsai said that “Ma is still the president and we respect any decision that he makes as president.” In a rival political stance, she added “We would like to remind the president that he should face serious issues with a serious attitude; the way he commented on the issue is very inappropriate.” She argued that the disputes among claimants should be resolved through international laws and conventions; all countries in the region, including Taiwan, have a shared responsibility to maintain regional peace and stability.<sup>25</sup>

Owing to Taiwan’s unique sovereignty situation and the pursuit of its own self-interest, Taiwan needs a more holistic self-assessment in dealing with the South China Sea issue, instead of following the example of the Philippines and Vietnam, thanks to Taiwan not having diplomatic ties with them. Taiwan perhaps may find another way of “de-militarization” and “non-political” participation. A low profile

---

<sup>25</sup> Iok-sin Loa, “DPP says declined island invite out of respect,” *Taipei Times*, January 30, 2016, p. 3, <<http://www.taipeitimes.com/News/taiwan/archives/2016/01/30/2003638408>>.

may not undermine Taiwan's factual presence and its strategic value recognized by the U.S. in the South China Sea.

## V. A Grand Strategy to Be Explored

Since Taiwan has had no diplomatic ties with neighboring countries, what Taiwan can do is to keep a low profile. Since there lacks the so-called "common" things, any action could be unilateral. For Taiwan, it is the time to actively manage this issue and make the existence of the islands more substantial before Taiwan is marginalized.<sup>26</sup>

Stationing its troops on Taiping Island, Taiwan is one of most qualified countries to claim it. For Taiping Island, complying with the provisions of Article 121 of the 1982 "United Nations Convention on the Law of the Sea," Taiwan is entitled to own a 12-nautical-mile limit for the territorial sea, a 24-nautical-mile limit for the adjacent areas, and a 200-nautical-mile limit for the exclusive economic zone.

Certainly, Taiwan has the right, but does not necessarily need to use it; Taiwan may preserve it. Since Taiwan's presence has not been recognized, Taiwan in the South China Sea affairs should not obviously take sides, so that it may create more bargaining space in cross-Straits and foreign affairs, and even in defense issues. In order not to be involved in regional conflicts, Taiwan should rather focus more on non-political or low-politics issues, such as meteorological, hydrological, and ecological research, which may increase Taiwan's contributions.

It could be used for non-political and low-politics purposes if Taiping Island performs the function of intelligence gathering by

---

26. Ting-Huei Lin, 〈台灣應積極參與南海倡議〉, *Liberty Times Net*, December 27, 2015, <<http://talk.ltn.com.tw/article/breakingnews/1487809>>.

setting up advanced radar facilities,<sup>27</sup> and it may monitor the maritime activities for humanitarian aid and security of transportation. In the wake of China's active completion of reclamation projects, such as Johnson South Reef and Fiery Cross Reef, the strategic value of the Taiping Island has risen. For the free navigation and the rebalancing policy in this region strongly advocated by the U.S., the value of Taiping Island will be on the rise.

Besides, regarding the historical and legal disputes over the South China Sea, as Bonnie Glaser suggested, Taiwan may fully expose to the world its ROC historical archives for the use of inquiring about the original intention behind the original 11-dash line. With it, Taiwan can remind the other claimants of its important interests and contributions to the South China Sea controversies and its willingness to be a constructive player in managing the issues. The Taiwan government has to convince international society that it would be positive and contributable if Taiwan could be included in the dialogue for setting up a code of conduct for the South China Sea.<sup>28</sup>

More effort may bring unexpected results. A successful model enunciated in the Guang Da Xing Incident between Taiwan and the Philippines on May 9, 2013. At the first moment, President Aquino announced that the Philippines would like to deal with it based upon one-China principle. The anti-Philippine government sentiments of the Taiwanese general public was in an uproar. Finally, urged by the U.S., the Philippines held a preparatory meeting with Taiwan for bi-

---

27. Ting-Huei Lin, 〈太平島的戰略價值正在提升〉, *Liberty Times Net*, November 2, 2015, <<http://talk.ltn.com.tw/article/breakingnews/1495070>>.

28. Bonnie Glaser, "A Role for Taiwan in Promoting Peace in the South China Sea," *CSIS*, April 15, 2014, <<http://csis.org/publication/role-taiwan-promoting-peace-south-china-sea>>.

lateral fishery talks.<sup>29</sup> After several rounds of negotiations, finally, Taiwan and the Philippines signed the agreement on law enforcement cooperation in fisheries matters on November 19, 2015.<sup>30</sup>

Furthermore, Taiwan's peace initiatives for the South China Sea have earned strong support from the U.S.; Representative Donald Payne praised Taiwan's willingness to jointly ensure peace and stability in the region, uphold the freedom of navigation and over-flight, and conserve and develop resources in the South China Sea.<sup>31</sup> On January 28, 2016, the U.S. Department of State appreciated the road map of South China Sea peace initiatives proposed by President Ma, urging all parties concerned to be included in a mechanism for talks regarding South China Sea affairs and to cooperate on a variety of issues.<sup>32</sup>

Those events signify that any mechanism for problem solving between Taiwan and others can be set up through incessant negotiations. Even though there are constraints due to the difficulties in sovereign recognition, Taiwan should not give up its rights; it actively needs

---

29. Huang-Chih Jiang, 〈廣大興 28 號事件評議—以漁業談判為核心之觀察〉, *TTForum*, No. 62, June 30, 2013, pp. 106-108, *TaiwanNCF*, <<http://www.taiwanncf.org.tw/ttforum/62/62-14.pdf>>.

30. Public Diplomacy Coordination Council, "Taiwan and the Philippines sign agreement on law enforcement cooperation in fisheries matters," *MOFA*, November 19, 2015, <[http://www.mofa.gov.tw/en/News\\_Content.aspx?n=1EADDCFD4C6EC567&s=200FD620B9CCE60B](http://www.mofa.gov.tw/en/News_Content.aspx?n=1EADDCFD4C6EC567&s=200FD620B9CCE60B)>.

31. Rita Cheng & Elaine Hou, "U.S. Congress members support Taiwan's initiatives in South China Sea," *Focus Taiwan*, December 19, 2015, <<http://focustaiwan.tw/news/afav/201512190005.aspx>>.

32. Taipei Times, "US thanks Ma for his South China Sea peace road map," *Taipei Times*, January 30, 2016, <<http://www.taipeitimes.com/News/taiwan/archives/2016/01/30/2003638409>>.

to seek to join any forms of dialogue. To accomplish these goals, the conventional and passive formula of “keeping close observation” should be abandoned when the government faces the South China Sea issues. Taiwan needs a clear strategy and a consistent policy toward the South China Sea. Different ministries should work together and share resources under the coordination of the National Security Council, pursuing Taiwan’s common diplomatic interests.

Taiwan’s South China Sea strategy and policy require top-level design, that is to make a platform for a new South China Sea policy, including a clear strategic goal; priorities for goal setting; specific action plans, such as how to manage the South China Sea issues and how to maintain the territorial sovereignty and maritime rights, as well as interests; and how to distinguish the major from the minor interests on the brink of crises. For example, how should Taiwan express concerns when Mainland China is reluctant to stop land reclamation in Nansha? Taiwan needs to upgrade the level of South China Sea issue to that of the National Security Council. If the South China Sea issue could be elevated to National Security Council rank, the NSC could convene the relevant ministries to brainstorm ways to figure out a new policy framework for the South China Sea issue.<sup>33</sup>

Finally, regarding Taiwan-China links on the South China Sea issue, due to the lack of mutual trust between Taiwan and China, plus potential military confrontations and an irresolvable political precondition of one-China principle, it is unrealistic for both sides to conduct political cooperation. Nevertheless, both sides may start from the think-tank dialogue and gradually turn to higher-level ones. As a matter of fact, excluding sovereignty issues, both Taiwan (Chinese

---

33. Ting-Huei Lin, 〈笨蛋，問題在於台灣沒有南海戰略〉, *Liberty Times Net*, June 8, 2015, <<http://talk.ltn.com.tw/article/breakingnews/1339110>>.

Taipei) and Mainland China already have successfully organized a joint training program under the name of “South East Asian Network of Education and Training (SEANET)” in 2010 and 2011.

A gradualist pattern at least is a way to accumulate goodwill and take symbolic action to reduce hostility. At this moment, it is not appropriate to further militarize Taiping Island. Taiwan needs to display the image of peacemakers instead of causing trouble. A sunshine policy toward the South China Sea issues with more reasonable, workable, and applicable measures is needed for the new Taiwan government.

## **VI. Conclusion**

There is no doubt that Taiwan’s presence will be protected, due to the demand of the balance of power in the region, even although Taiwan’s voices are not loud enough. In a sense, Taiwan’s geo-political value with invisibility and silence sometimes means great potential. Above all, for the U.S., the global hegemon, Taiwan’s potential value is already out there.

Realistically and pragmatically speaking, what Taiwan needs is not exposure but strength. To be a rational, friendly, constructive, and responsible stakeholder in this region, Taiwan needs to reformulate a new grand strategy with workable measures in managing the islands that Taiwan possesses. The international laws and real politics should be taken into consideration rationally. Some compromises will be needed once real benefits can be obtained.

The policy-making process should be based upon deliberate debate that is grounded in interdisciplinary research. The management of the islands in the South China Sea should be skillful without pro-

voking anxieties and worries from the neighboring claimants. Hence, visits, contacts, communications, and transparency of the policy making process are desirable.

As a constrained democracy choked by Mainland China, Taiwan needs a concrete target to encourage people's morale to look outwards. In this regard, the South China Sea may offer Taiwanese an imaginary world to strive for. Combined with some other strategic tools, Taiwan's presence on some islands in the South China Sea may also offer opportunities to cooperate with the neighboring claimants in any form of contacts.

More haste and less speed is required. Rome was not built in a day. In the face of its own sovereign difficulties, as well as complicated international affairs, Taiwan needs to buy time. The ideal goals themselves are not the issues concerned, instead, they are only a tool to inspire people's morale and wisdom; the latter is the core of the national development. In a long-term and comprehensive view, patience then is the key to success.

## References

### English

#### Books

Hayton, Bill, 2014. *The South China Sea: The Struggle for Power in Asia*. New Haven: Yale University Press.

#### Book Articles

Yan, Jiann-fa, 2014. "Co-managing the South China Sea and the East China Sea Resources: Challenges and Opportunities," in Szu-shen Ho & Kuan-hsiung Wang, eds., *A Bridge over Troubled Waters: Prospects for Peace in the South and East China Seas*. Taipei: Prospect Foundation. pp. 235-257.

#### Online Resources

2016/3/2 (accessed). "Scarborough Shoal standoff," *Wikipedia*, <[https://en.wikipedia.org/wiki/Scarborough\\_Shoal\\_standoff](https://en.wikipedia.org/wiki/Scarborough_Shoal_standoff)>.

Cheng, Rita & Elaine Hou, 2015/12/19. "U.S. Congress members support Taiwan's initiatives in South China Sea," *Focus Taiwan*, <<http://focustaiwan.tw/news/afav/201512190005.aspx>>.

Djalal, Hasjim, 2012/2/2. "The South China Sea: Cooperation for Regional Security and Development," *East Sea (South China Sea) Studies*, <<http://nghiencuubiendong.vn/en/conferences-and-seminars-/the-third-international-workshop-on-south-china-sea/665-the-south-china-sea-cooperation-for-regional-security-and-development-by-hasjim>>.

The Economist, 2015/10/17. "Who Rules the Waves?" *The Economist*, <<http://www.economist.com/news/international/21674648-china-no-longer-accepts-america-should-be-asia-pacifics-dominant-naval-power-who-rules>>.

Ekpolomo, Moses, 2012/1/23. "South China Sea: The New Persian



Gulf?” *Defense Industry Bulletin*, <<http://www.defenceiq.com/naval-and-maritime-defence/articles/south-china-sea-the-new-persian-gulf/>>.

Glaser, Bonnie, 2014/4/15. “A Role for Taiwan in Promoting Peace in the South China Sea,” *CSIS*, <<http://csis.org/publication/role-taiwan-promoting-peace-south-china-sea>>.

Huang, Keira Lu, Kristine Kwok, & Teddy Ng, 2014/5/28. “Tensions between China and Vietnam Escalate in Row over Boat Sinking,” *South China Morning Post*, <<http://www.scmp.com/news/asia/article/1519837/chinese-fishing-vessel-sinks-vietnamese-boat-south-china-sea?page=all>>.

Jun, Liang, 2015/11/11. “South China Sea arbitration a deadlock hindering improvement of China-Philippines ties: China’s FM,” *People’s Daily Online*, <<http://en.people.cn/n/2015/1111/c90000-8974735.html>>.

Kaplan, Robert D., 2016/2/6. “The South China Sea will be the battleground of the future,” *Business Insider*, <<http://www.businessinsider.com/why-the-south-china-sea-is-so-crucial-2015-2>>.

Lee-Brago, Pia, 2014/6/5. “Int’l Court Tells China: Answer Phl Complaint,” *Philstar*, <<http://www.philstar.com/headlines/2014/06/05/1331178/intl-court-tells-china-answer-phl-complaint>>.

Loa, Iok-sin, 2016/1/30. “DPP says declined island invite out of respect,” *Taipei Times*, p. 3, <<http://www.taipetimes.com/News/taiwan/archives/2016/01/30/2003638408>>.

Paterno, Esmaguél II, 2014/5/21, “Philippines, Vietnam can share disputed sea – envoy,” *Rappler*, <<http://www.rappler.com/nation/60511-vietnam-philippines-joint-exploration-south-china-sea>>.

Pellerin, Cheryl, 2015/6/2. “Carter: U.S., Vietnam Committed to Defense Relationship,” *U.S. Department of Defense*, <<http://www.defense.gov/News-Article-View/Article/604763>>.

- Petty, Martin, 2014/5/18. "Vietnam Stops Anti-China Protests after Riots, China Evacuates Workers," *Reuters*, <<http://www.reuters.com/article/2014/05/18/us-china-vietnam-idUSBREA4H00C20140518>>.
- Phy, Sopheada, 2009/6/2. "The Management of the Spratly Islands Conflict: Success or failure?" *Peace and Conflict Monitor*, <[http://www.monitor.upeace.org/innerpg.cfm?id\\_article=623](http://www.monitor.upeace.org/innerpg.cfm?id_article=623)>.
- PRIO Network, 2011/5. "Maritime Conflict in Asia," *PRIO*, <<http://www.prio.no/Maritime-Conflict-in-Asia/>>.
- Public Diplomacy Coordination Council, 2015/11/19 "Taiwan and the Philippines sign agreement on law enforcement cooperation in fisheries matters," *MOFA*, <[http://www.mofa.gov.tw/en/News\\_Content.aspx?n=1EADDCFD4C6EC567&s=200FD620B9CCE60B](http://www.mofa.gov.tw/en/News_Content.aspx?n=1EADDCFD4C6EC567&s=200FD620B9CCE60B)>.
- The Straits Times/Asia News Network, 2015/5/31. "Philippines, US to set up South China Sea defense line," *Inquirer*, <<http://globalnation.inquirer.net/123749/philippines-us-to-set-up-south-china-sea-defense-line#ixzz3zvJm8Wad>>.
- Taipei Times, 2016/1/30. "US thanks Ma for his South China Sea peace road map," *Taipei Times*, <<http://www.taipeitimes.com/News/taiwan/archives/2016/01/30/2003638409>>.
- Tiezzi, Shannon, 2015/6/25. "Joint Japan-Philippine Flight Over South China Sea Riles China," *The Diplomat*, <<http://thediplomat.com/2015/06/joint-japan-philippine-flight-over-south-china-sea-riles-china/>>.

## Chinese

### Online Resources

- Jiang, Huang-Chih, 2013/6/30. 〈廣大興 28 號事件評議—以漁業談判為核心之觀察〉, *TTFForum*, No. 62, pp. 106-108, *TaiwanNCF*, <<http://www.taiwanncf.org.tw/ttforum/62/62-14.pdf>>.
- Lin, Ting-Huei, 2015/6/8. 〈笨蛋，問題在於台灣沒有南海戰略〉,

*Liberty Times Net*, <<http://talk.ltn.com.tw/article/breaking-news/1339110>>.

Lin, Ting-Huei, 2015/11/2. 〈太平島的戰略價值正在提升〉, *Liberty Times Net*, <<http://talk.ltn.com.tw/article/breakingnews/1495070>>.

Lin, Ting-Huei, 2015/12/27. 〈台灣應積極參與南海倡議〉, *Liberty Times Net*, <<http://talk.ltn.com.tw/article/breakingnews/1487809>>.

Yang, Yi-min & Chien-sen Hu, 2012/9/26. 〈南方澳「現撈仔」業者：8成來自釣島海域〉, *Liberty Times Net*, <<http://www.libertytimes.com.tw/2012/new/sep/26/today-north11.htm>>.

