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Troubled Waters, Anniversary Parade, PLA's Power Projection: Is China a Concern for the World?

Nalanda Roy*

The future and destiny of contemporary China is more and more closely linked to the future and destiny of the world. China's development cannot be done without the world, and the world's development need China.

Hu Jintao¹

This paper seeks to discuss three important issues concerning China today. The first part analyses the controversial South China Sea dispute that has gained prominence over time, especially after incidents like Bowditch or Impeccable. China's military build-up in the South China Sea does not necessarily indicate that Beijing will use force to occupy more islands; rather, it seems that China seeks to enhance its military presence to manipulate its bargaining game for future negotiations. The second part deals with the growing political-military strength of the Peoples Liberation Army (PLA) and their focus on developing a blue-water navy as well air power to back it up. The paper also digs deep to find out whether Beijing's actions have become a major concern for the world. The final part focuses on the Anniversary parade that shows how China is getting involved on a major military modernization program to project itself as the dominant power in this region. The paper also argues that limited transparency in China's military and security affairs have not only given birth to uncertainties, but have increased the potential for misunderstanding and miscalculation.

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Introduction

The South China Sea is a semi-enclosed sea bordered by Association of Southeast Asian Nations (ASEAN) countries, namely, Brunei, Cambodia, Indonesia, Singapore, Malaysia, Philippines, Thailand and Vietnam, but not Laos and Myanmar. This region is thus very important not only to the claimants but also to global powers like the United States (US). This was clearly demonstrated by the incidents in the South China Sea involving five Chinese vessels and *USNS Impeccable*² in March 2009.³ This clash was considered to be the first serious maritime confrontation between these two countries in such a sensitive area.⁴ News of such clashes has been taking place between the Chinese and the American military since 2001. For example, in April 2001, an American EP-3 reconnaissance plane collided with a Chinese F-8 interceptor, killing the Chinese pilot.⁵ The Chinese forces again confronted the *USNS Bowditch*⁶ in 2002 in the Yellow Sea and launched a diplomatic protest over the incident.⁷ The same year, China enacted a new law stating that all survey and mapping activities in China's Exclusive Economic Zone (EEZ) would require Chinese approval, or else would be subject to fines and confiscation of data. Responses in both the cases indicate that the Chinese reaction to the US forces operating in this region would be severe. In fact, the South China Sea dispute is considered to be a dangerous source of potential conflict that might escalate into a serious international conflict in the future. The objective of this article is to look into the troubled waters and the growing political–military strength of the People's Liberation Army (PLA) to find out whether Beijing's actions have become a major concern for the world.

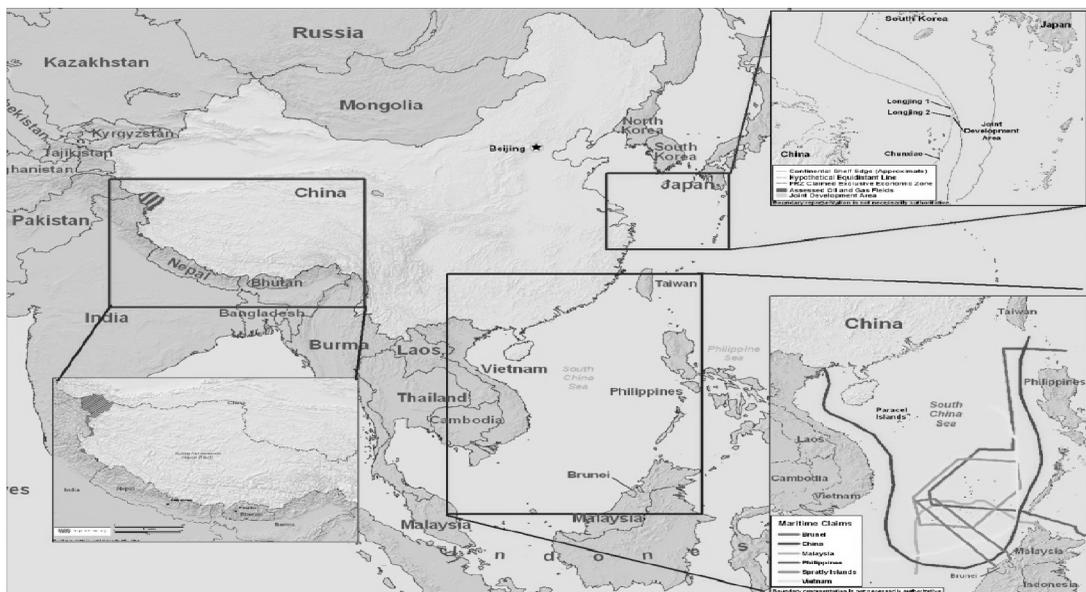
Troubled Waters

When the Chinese President, Hu Jintao, visited Washington in early 2011, news was on the air regarding whether this visit would be significant on two grounds. First, one wondered if the visit would mitigate current tensions between the two countries, and second, if so, would an improved relationship continue in the future. It was very surprising that while issues like North Korea and climate change were discussed, the South China Sea issue was totally absent from the agenda, even though it is one of the most delicate diplomatic issues in both China and the US. The question is why did the Chinese officials decide to remain silent on this issue? Are they too busy strengthening their relationships with the Obama administration and the ASEAN? Or, are they silent because they want to manage this issue of “core interest” in their own way and in their own favour amidst military modernisation? Besides addressing core interests such as maintaining

the political system, defending sovereignty and promoting economic development, Chinese officials view the South China Sea and other sovereignty disputes as “core interests”. Now, the question is if the South China Sea dispute is a matter of “core interest” to China, it would place it on a par with other sovereignty issues such as Tibet and Taiwan. And if this is the case, then China could justify its military intervention in the region as safeguarding its national interests. But the question still remains that despite such debates, why they have not explicitly come out with a policy statement describing the South China Sea as a “core interest”?⁸

The term “core interest” has an important significance when describing China’s intentions in the South China Sea area. A foreign ministry spokesperson commented at a news conference that China has “indisputable sovereignty” over the Spratly Islands. However, there have been no such statements concerning their position in the South China Sea dispute.⁹ Map 1 shows China’s major ongoing territorial disputes based on claims along its shared border with India and Bhutan; the South China Sea; and with Japan in the East China Sea.¹⁰

Map 1 China’s Major Ongoing Territorial Disputes



Source: “Military and Security Developments Involving the People’s Republic of China 2010”.¹¹

There are four main island groups in the South China Sea: the Paracels, the Spratlys, the Pratas and the Macclesfield Bank. The Spratlys are of strategic, maritime and economic importance because they lie amidst the principle sea lines for commercial ships transiting the Indian and Pacific Oceans (that is, the Straits of Malacca, the Singapore Strait, the Sunda Strait and the Lamdok Strait). This area has also become critical among the disputing countries because of its major oceanic routes for crude oil tankers from the Persian Gulf to Asia and for goods from Asia to the rest of the world. It also has promising offshore oil and gas reserves, and is one of the richest fishing grounds in the world. Ninety per cent of Japan's oil passes through this area. China has called the sea a "second Persian Gulf". Estimates of the oil resources near the Spratly Islands range from 105 billion barrels to 213 billion barrels. Estimates of total gas reserves also vary from 266 trillion cubic feet (Tcf) to more than 2,000 Tcf.¹² The above-mentioned reasons were sufficient enough for the Chinese Government to declare, for the first time, to Washington that it views its claim to sovereignty in the South China Sea as part of its "core interests".¹³ These territorial disputes have the potential to escalate into larger regional and international conflicts, given a number of bilateral security commitments between regional states and big powers, such as that between the US and the Philippines.¹⁴ The South China Sea dispute has an obvious strategic dimension. If China ever succeeds in realising its territorial claims, it would then "extend its jurisdiction some one thousand nautical miles from its mainland so as to command the virtual Mediterranean or maritime heart of Southeast Asia with far-reaching consequences for the strategic environment".¹⁵ The South China Sea has acquired added significance as it harbours large energy reserves. Therefore, it has become quite impossible for the claimants to follow the "good fences make good neighbors" policy, at least in the sea.¹⁶ Further, things have become complicated recently as small islands generate extensive maritime resources, and gain greater strategic, economic and political importance.

Han Xudong at the National Defense University commented, "China's comprehensive national strength, especially in military capabilities, is not yet enough to safeguard all of the core national interests. In this case, it's not a good idea to reveal the core national interests."¹⁷ However, a recent survey done by the *People's Daily* website shows that 97 per cent of the readers think that it is time to declare the South China Sea issue as "core interest".¹⁸ China feels that continued US military presence in the Asia-Pacific region is making the region more volatile. Because of increasing interference by China and responses from foreign powers, including the US, the potential for disagreement remains high. Just as the sale of weapons to Taiwan by the US severely impacted Sino-US relations, actions by the US and some of China's neighbours, who occasionally express their concerns about

the ultimate aim of Beijing's military modernisation, may cause similar difficulties. The wider significance of disputes in the South China Sea relates to the threat that a higher level of military action could pose to the sea lines of communication (SLOCs), which are part of the South China Seas vital arteries to other parts of the world, including the Middle East. If the SLOCs get disrupted due to armed conflict, then the economic interests of the Asia-Pacific countries as well as the US would be adversely affected.¹⁹ This dispute is fast emerging as the security flashpoint in East Asia, and overlapping maritime claims have made the situation even more intricate than other regions in the world.

Problems in this region are aggravated because the legal status of the sea is unclear. The scramble for islands, the assertion of conflicting claims and the absence of any movement towards a resolution mean that the possibility of conflict is always a threat in the region. For example, China upholds a variety of historical evidences to support its claims to sovereignty over the Spratlys. China was the first to discover and name the islands, to develop them and the first to exercise jurisdiction over them.²⁰ Besides, the claimants have made use of the uncertainties in some of the provisions of the 1982 United Nations Convention on the Law of the Sea in order to extend their claims to 200 mile EEZs and to continental shelf areas.²¹ Although the South China Sea was long considered a potential trouble spot, military clashes between China and her neighbours did not occur until the 1970s.²² The South China Sea's highly volatile environment is due to its potential energy resources beneath the sea, and willingness among the claimants to use military force to defend these resources.²³ As Leifer comments,

...the South China Sea and the islands represents the maritime heartland of Southeast Asia, and the domination of the area by a single power could over time have far reaching strategic consequence affecting the geo-political and economic interests of both regional and extra regional states.²⁴

A report published by *The Washington Times* in 2005 stated that China is building strategic relationships along the sea lanes from the Middle East to the South China Sea to protect China's energy interests as well as security objectives. The report further stated that China is adopting a "string of pearls" strategy of bases and diplomatic ties stretching to include a new naval base at the Pakistani port of Gwadar. The Chinese-funded port is only 390 nautical miles from the Hormuz Strait. In case of a disruption in the Straits of Malacca, oil imports could be diverted through here and then transported via the Gilgit region to western China.²⁵ So, it is in the best interest of all the claimants and other concerned parties to actively

seek solutions to safeguard freedom of navigation, avoid military confrontation and promote cooperation as well as peaceful settlement of disputes.²⁶

The 2011 Pacific Energy Summit held in Jakarta, Indonesia, from February 21–23 featured the theme, “Unlocking the Potential of Natural Gas in the Asia-Pacific”. The summit explored the role of natural gas in addressing the challenges of energy security and climate change in the region. Experts predicted that a golden age of gas for the Asia-Pacific region is on its way. By 2015, Asia is expected to be the world’s largest regional market for natural gas. Unprecedented growth defines the Asia-Pacific region today, with China at the forefront of rapid economic expansion, followed by India. The International Energy Agency (IEA) projected that China will account for half of global oil demand growth in the next five years. While over the next 25 years, demand from Organisation for Economic Co-operation and Development (OECD) countries such as the US, Japan and Europe will remain flat.²⁷ Although China has decided to dial down its behaviour and renew diplomatic efforts to win over its neighbours, her charm offensive has started to flare up new sources of tension in this region. As a rising military power, China wants to avoid a pro-US tilt in the region. In fact, it has become very difficult to disentangle the tensions over island sovereignty from Sino-US military rivalry.²⁸

The sovereignty disputes over the two strategically important archipelagos—the Paracels and the Spratlys—are linked to moves for control over maritime zones around them. The perception of China as a threat rather than a cooperative and benign neighbour has never been firmly established. Rather, it always lurks under the surface. And the second Mischief Reef incident in 1998 did nothing to weaken concerns.²⁹ In fact, unresolved sovereignty issues and competition over resources are increasing political tension. It is now generally accepted that conflict over the South China Sea is largely due to China’s reluctance to enter multilateral or any other negotiations regarding the future of the region. Some analysts argue that China is striving for domination of the South China Sea, while others argue that China is simply trying to defend itself by obtaining some “breathing space” by protecting vital sea lanes against a possible encroachment.

Military Modernisation and PLAN

Besides territorial disputes in the East China Sea, military build-ups by Beijing and Tokyo are evidence of a highly unstable relationship.³⁰ The South China Sea’s growing strategic significance as well as growing military presence in the region guarantees that there will be more opportunities for miscalculation. As the PLA

Navy (PLAN) conducts further exercises and ventures at sea, the risks will rise. Research vessels will do their preparatory work, and militaries will step up surveillance. This will result in the rising of a number of vessels in a limited space. And the EP-3 incident is proof that accidents will continue to happen.³¹

The question arises that what is China trying to achieve with such military power? Is China trying to establish a maritime sphere of influence in the South China Sea? She has developed a naval doctrine of “Far Sea Defence”, for the projection of power far from its shores. The PLAN has even conducted several serious naval exercises, including the *Jiaolong*³² amphibious assault exercise in November 2010. This shows PLA’s growing ability to seize islands and project military power far beyond its shores. The PLA feels it is right for China to increase its national defence spending and modernise its military in response to the growing international criminal and terrorist activities. China is even getting ready to launch an aircraft carrier. Her intention is to win high-tech regional wars and fight multiple threats in complex environments. The PLA is now developing a blue-water navy and air power to back it up, and also trying to make up for the neglect when China merely focused on the economic development.³³

Meanwhile, regional countries are facing a “Goldilocks” dilemma in the absence of convincing actions by the US.³⁴ Friedman calls this action as “Containment-lite”, whereby, in the absence of a strong American presence, regional states will face a stark fate of either developing their own defensive capabilities or silently following their neighbour. According to Friedman:

Each one of China’s neighbors is eager to have a picture of their president standing with Secretary Clinton or President Obama—with the unspoken caption that reads: “Honestly, China, we don’t want to throttle you. We don’t want an Asian cold war. We just want to trade and be on good terms. But, please, stay between the white lines. Don’t even think about parking in my space because, if you do, I have this friend from Washington, and he’s really big...And he’s got his own tow truck.”³⁵

In fact, the steady expansion of China’s maritime reconnaissance strike is creating “no-go zones” in the western Pacific, gradually eroding America’s military power projection into a region of long-standing vital interest.³⁶

The chairman of the Strategy Research Institute of the Academy of Military Sciences argues that the rise of China would not only result in national cohesion, but would

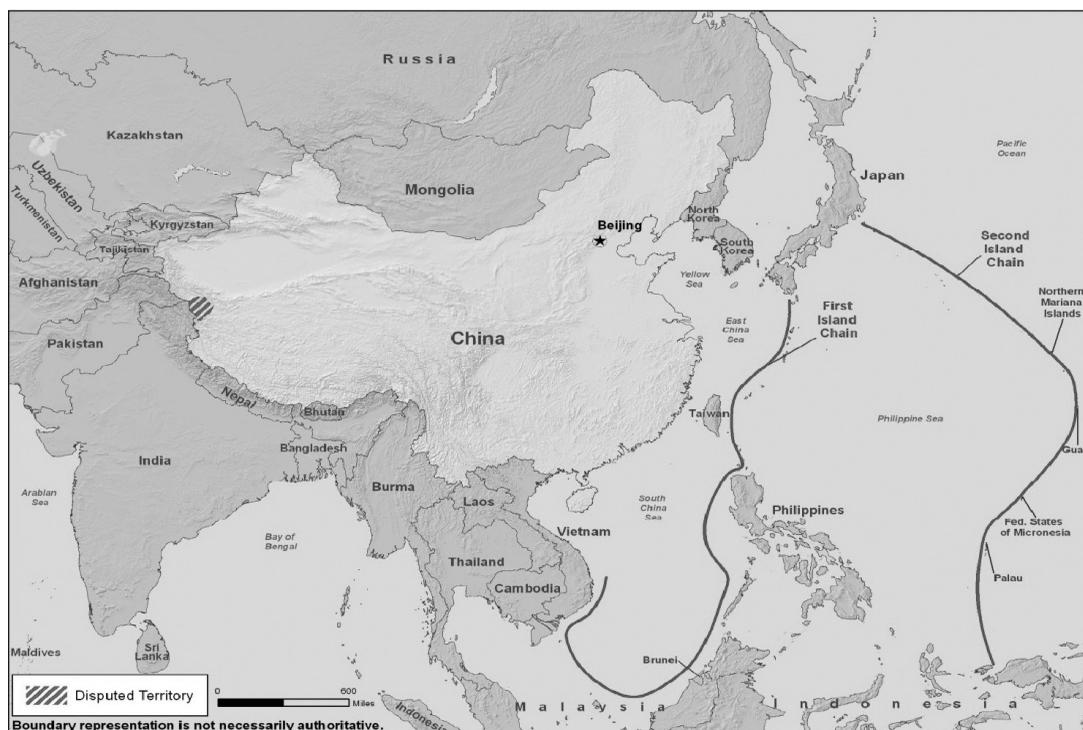
also make it the most powerful country in the Asia-Pacific region. However, he proposed three stages for such a rise. First, the construction stage, whereby China should promote a peaceful environment and safeguard national sovereignty and territorial integrity. Second, the moulding stage, whereby China would pursue policies to shape events and regain lost territories. And third, the plan and control stage, where the international community will accept China's efforts in building a new political economic international order that will ensure strategic balance and stability.³⁷ Hopefully, a greater understanding of the economic, political and overall security implications of conflict in the South China Sea will increase the possibility of a peaceful resolution of lingering territorial disputes. However, merely desiring a peaceful outcome is not enough. More proactive confidence-building measures are needed to support the ongoing initiatives aimed at reducing the prospects for conflict in this potentially volatile region. This dispute has been, and still is, a matter of concern. Many potential solutions to the impasse have been suggested: sharing the resources; joint development; development through cooperation; and third-party intervention. However, suggested solutions have not been implemented because there is a lack of confidence and trust among the concerned parties.

The ASEAN states issued a joint declaration, calling for a peaceful resolution in response to China's 1992 passage of a national law on territorial waters. However, China did not take ASEAN's declaration seriously. Rather, the Foreign Minister of China stated that China only "appreciated some of the basic principles" in the declaration.³⁸ The 2002 Declaration on Conduct between ASEAN and China can be regarded as a midway point in a process to reduce tension and encourage cooperation between the claimants. Contrary to military balancing, ASEAN engaged China with a multilateral security dialogue and used institutional norms and rules to constrain her behaviour. The Declaration on the Conduct of Parties restricted territorial expansion in the South China Sea since November 2002, and ensured that sovereignty disputes were resolved peacefully. Recently, China has again stepped up its claims. Despite protests from Vietnam, China has again enforced a summer fishing ban over the entire South China Sea, including areas that Hanoi considers under its direct sovereignty.³⁹ In doing so, China is taking charge of regional ocean governance and establishing a pattern for control over resources in areas of disputed sovereignty. In addition, China is conducting naval and air force training exercises in the disputed areas of the Spratly and Paracel Islands. The PLAN coordinated combat training and mock bombing exercises with land-based aircraft in the Spratlys and anti-submarine exercises in a group of islands lying between Taiwan and the strategically important US base on Guam in the East China Sea.⁴⁰

It might be helpful to monitor China's actions in the South China Sea region in order to gauge their intentions. In August 2010, two unarmed civilian surveillance ships planted a Chinese flag in the southern part of the sea indicating that China is taking a cautious approach. Although incidents have occurred from time to time, this, in fact, went to the verge of escalating into dangerous conflicts.⁴¹ Beijing had kept the South China Sea off the agenda of the ASEAN Regional Forum (ARF) for a decade and a half. But many countries are showing their continued interest and concern for the maritime issues in this region. Remarks by Clinton in 2010 about the South China Sea issue implied that the situation in the South China Sea is a cause for grave concern; however, it is recognised that Beijing is more interested in handling disputes on a one-to-one basis rather than multilaterally. Stapleton Roy, Director of the Kissinger Institute on China and the US, commented, "China may have internal political disagreements regarding the South China Sea because they do not speak with precision about the South China Sea."⁴² Some of their claims are not even officially documented. He further commented that the term "core interest" has often been referred in Chinese language, but there is no official Chinese public statement making it a core interest.⁴³ This shows that China's outward policy has been inconsistent with the claim of total sovereignty over the area. The Chinese military declared that China has "indisputable sovereignty" over the South China Sea.

A statement by the PLA reiterates China's claim to the entire waterways, and it has generated concerns in Washington and Asia. Countries have started to feel that China's policy is significantly becoming more and more aggressive. In fact, China's Navy has become increasingly aggressive in the sea, seizing fishing boats, arresting sailors from other countries, exchanging gunfire, etc.⁴⁴ General Mi Zehnyu stated that "China must develop a strong sea power to protect and not yield a single inch of its three million square kilometers of ocean territory. China must 'build a new Chinese maritime great wall'."⁴⁵ Map 2 shows the First and Second Island Chains, which are conceived as forming a geographic basis for China's maritime defensive perimeter by the People's Republic of China (PRC) military theorists.⁴⁶

Map 2 China's Maritime Defensive Perimeter



Source: “Military and Security Developments Involving the People’s Republic of China 2010”.⁴⁷

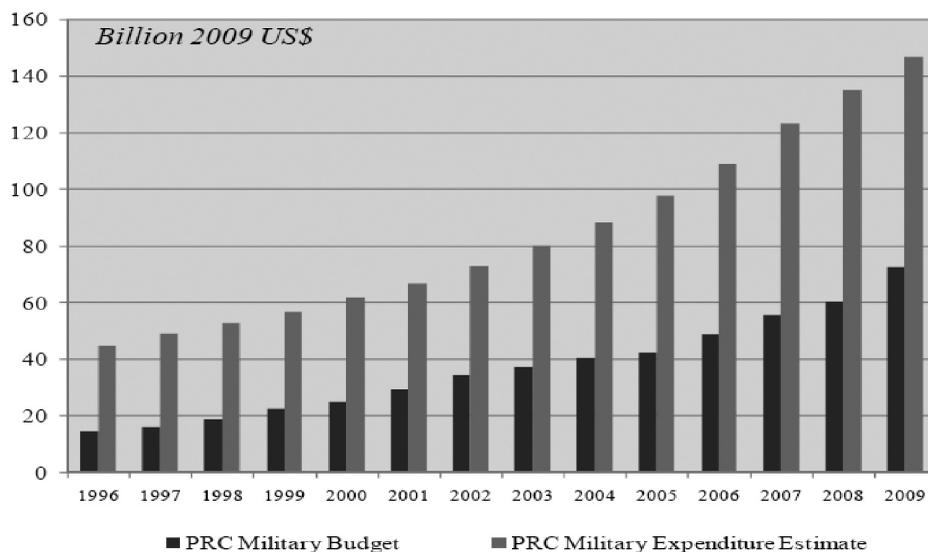
In the 2011 Shangri-La Dialogue held in Singapore, the Chinese Defence Minister, General Liang, said that China is keeping its agreements to the peaceful resolution of territorial disputes, after her neighbours and the US Secretary, Robert Gates, showed renewed concern about the potential for clashes in the region.⁴⁸ Gates further warned that clashes could occur in the sea if nations do not agree to deal with disputes. The Philippine President, Benigno Aquino, even warned that the disputes in the South China Sea could spur a regional arms race. In response, Liang added that China is no threat to world peace, and her military policy is purely defensive. And “no matter how developed it may be, China will never seek hegemony or military expansion”.⁴⁹ When asked about why things like mid-air refuelling systems and Aden Bay China armed escort are happening first time for the PLA in China, or why PLA took trains for multinational anti-terrorist drills Peace Mission 2010 in Kazakhstan under the framework of the Shanghai Cooperation Organisation (SCO), General Liang replied that in comparison to the developed countries, modernisation and the national defence level of Chinese Army has a relatively big disparity as well as heavy responsibilities to perform. And also, due

to China's own security concerns as well as regional peace and stability, China has stepped up her efforts for national defence development.⁵⁰

Anniversary Parade—A Concern to the World

During the anniversary parade, China claimed that nearly 90 per cent of her armaments were displayed publicly for the first time, including its most sophisticated nuclear-capable intercontinental missiles, land-attack cruise missiles and airborne warning and control system (AWACS) aircraft.⁵¹ In fact, China is currently engaged on a major military modernisation programme to project itself as the dominant power in this region. This has become a matter of concern to the world as it seems that China is slowly turning into a global threat with her new asymmetric missile capabilities. The 2010 Quadrennial Defense Review report indicates that “China is developing and fielding large numbers of advanced medium-range ballistic and cruise missiles, new attack submarines equipped with advanced weapons, increasingly capable long-range air defense systems, electronic warfare and computer network attack capabilities, advanced fighter aircraft, and counter-space systems.”⁵² All this might embolden the PLA. In fact, the PLA is making modest improvements in the transparency of China's military and security affairs, although there are concerns regarding how China will use its expanding military capabilities. Figure 1 shows China's military budget growth between 2000 and 2009.⁵³

Figure 1 China's Military Budget Growth



Source: “Military and Security Developments Involving the People's Republic of China 2010”.⁵⁴

Limited transparency in China's military and security affairs not only gave birth to uncertainties but also increased the potential for misunderstanding and miscalculation. China continues to deploy many of its most advanced systems to the military regions (MRs) opposite Taiwan. China has the most active land-based ballistic and cruise missile programme in the world. These developments will enable her to move from a coastal defence strategy to full power projection. The PLAN has the largest force of principal combatants, submarines and amphibious warfare ships in Asia. Training programmes are being initiated to operate fixed-wing aircraft and to improve its over-the-horizon (OTH) targeting capability with sky-wave and surface-wave OTH radars. The OTH radars are used in locating targets at great distances from PRC shores.⁵⁵ In 2009, the PLA continued to emphasise training for non-war missions, as well as training for war under realistic and high-tech conditions. Debates are going on as to what new capabilities should be developed by the PLA in order to protect China, or influence Taiwan to settle the dispute on Beijing's terms, and even defend China's claims to disputed territories in the South China Sea and elsewhere. The PLA is also developing new platforms and capabilities to address other concerns within the East and South China Seas, and possibly to the Indian Ocean. China is trying to dominate the entire area militarily by occupying the chain of outposts in the South China Sea area. For example, new missile units outfitted at various locations in China could be used in a variety of non-Taiwan contingencies⁵⁶ and aerial-refuelling programmes and airborne early warning and control (AEW&C) allow for extended air operations into the South China Sea.⁵⁷ A stronger regional military presence might position China for force projection or even blockade. In fact, her surveillance operations indicate that she is trying to influence the critical sea lanes in the region. Although some argue for a major expansion of the PLA's power projection capabilities, few urge for a more modest makeover of its defence agenda. And though China's "peaceful rise" official policy recognises the international values of peace, international order and cooperation, certain things are getting very clear these days.⁵⁸

Meanwhile, India is increasingly becoming involved in the wider Asia-Pacific region as part of its "Look East" policy, aimed at strengthening its influence in Southeast Asia. In 2002, both the Indian as well as the US Navy have worked together to ensure safe transit through the Straits of Malacca. India even signed an agreement with Singapore in 2003 to improve maritime and counter-terrorism cooperation on seas. Both the Indian as well as the Indonesian Navy did joint patrols of the Six Degree Channel, lying between Aceh and the Nicobar Islands.⁵⁹ Besides, India seemed to worry about the rapidly modernising Chinese military as General Deepak Kapoor commented, "we need to take note of likely implications of China's military modernisation, improvement of infrastructure in the Tibet

Autonomous Region, which could impact our security in the long-term.”⁶⁰ Scholars like Kondapalli argue that many Indian Army officers feel that China holds a “marginalisation” attitude when it comes to India.⁶¹ For instance, Pravin Sawhney argues that Chinese military deployments and preparations are a threat to India, and many even view the PLA’s perspectives on India as a part of its strategic encirclement.⁶² Although India and China have signed a treaty to maintain peace and tranquility along the disputed border, talks over a 3,500 km disputed frontier have hardly made any progress.⁶³

According to Andrew Scobell, when it comes to the notion of security, Chinese strategic culture is influenced by both the Confucian tradition as well the thinking of the military scholar, Sun Zi. It combines both the traditions of pacifism and realpolitik. He also argues that China and India are likely to witness “simmering tensions” in their relations.⁶⁴ From China’s perspective, India’s actions on Tibet are viewed as affecting China’s sovereignty and territorial integrity. As Xia Liping comments, the 1962 war “was not a purely military action, but a complicated political, diplomatic, and military war.”⁶⁵ The main objective of the Chinese Government was “not to recover the territory, but to wipe out more Indian effective strength so as to give more serious lessons to Indian Army.”⁶⁶ The 2010–11 annual report by the Indian Defence Ministry stated that it is watchful of China’s increasing military capabilities, and watchful of the implication of China’s evolving military profile in the immediate and extended neighborhood.⁶⁷ Some scholars argue that India should not worry about the development of Chinese military capabilities since India will have more confidence to initiate a mature bilateral tie with China. However, India has been rapidly increasing its military budget and broadening its military deployment near the disputed border with China. Data released by the Stockholm International Peace Research Institute further substantiates this view. In fact, according to this report, India has replaced China as the world’s top arms importer.⁶⁸

Cronin indicates, “China’s behavior directly threatens legitimate American as well as Southeast Asian interests, including freedom of navigation, access to rich undersea oil and gas deposits, and the cooperative and sustainable development of other seabed resources, fisheries, and estuaries.”⁶⁹ In fact, China’s assertiveness appears to have backfired. Although Beijing’s military build-up in the South China Sea does not necessarily indicate that Beijing will use force to occupy more islands, however, it seeks to enhance its military presence to manipulate its bargaining game for future negotiations. China’s two-track hard/soft policy towards the South China Sea dispute indicates a pattern she has been following in case of

both settled cases as well as unsettled ones such as the Senkaku/Diaoyu Islands dispute with Japan. Smaller nations are moving closer to the ASEAN, and even the US, who has declared the South China Sea as an area of strategic interest. Although Washington pointed out that the US would not take sides in the territorial dispute, still Washington sticks to its robust propositions, as mentioned by Clinton at the ARF, as recent Chinese moves turn out to be troublesome.

Southeast Asian countries are concerned about what they perceive to be Beijing's increasingly assertive blue-water strategy.⁷⁰ Beijing's perception of threats does not, in Waltz's words, "correspond with any permanent moral quality", but is determined by shifts in the balance of power.⁷¹ Thus, in Beijing's view, the "placement of states affects their behavior and even colors their character."⁷² With the exception of India, and possibly Japan, all Asian nations are following asymmetric relationship with China. Some scholars even talk about a "C-shaped ring of encirclement by China", while others argue that the US is organising an "Asian version of NATO" against China.⁷³ Congress is pushing the White House to take a tougher line with Beijing. Washington has already announced that "five years from now the United States' influence in Asia will be as strong if not stronger than it is today."⁷⁴ However, the question is whether the Obama administration will act promptly to the recent clashes or that the Sino-US tie will take a soft stance due to the visit of Hu Jintao to Washington in early 2011. Although both sides are striving hard to maintain a stable relationship, but unfortunately, any tangible breakthrough is yet to come. There are three main obstacles to this. First is the US sale of arms to Taiwan. Second, the intense spy and patrol activities of the US aircrafts and ships in the South and East China Sea. Third, the 2000 National Defence Authorisation Act, which set conditions and limits on the US military contacts with China.⁷⁵

This dispute is a great bargaining one, where actors with most bargaining power will leave the game with the biggest reward. Likewise, China, being the most powerful player in this dispute, is exercising a relatively aggressive policy towards other claimants. China was even successful in preventing ASEAN from acting together with a common voice by arguing that the disputes in South China Sea must be discussed through bilateral negotiations between China and each of the four ASEAN claimants. Although the ASEAN and the ARF stand out as organisations meant to promote peace and security through preventive diplomacy, dialogue and confidence-building measures as part of their agenda,⁷⁶ however, neither can be understood as a security organisation or a formalised conflict prevention mechanism in a stricter sense. The ASEAN has acted as a "soft security organisation",

although “its member states have deliberately abstained from producing ‘hard’ security arrangements.”⁷⁷ Although ASEAN has been successful in its role as the driving force for regional integration as well as avoided any major outbreak in this region, it has failed to settle the dispute among claimants in the South China Sea. During the 2009 ASEAN–China Summit in Cha-am, Thailand, the security issue in the South China Sea was absent from the agenda. In fact, the division among ASEAN members has diminished the sense of common objective, thereby providing advantages for China in dealings with ASEAN. For example, in late 2007, China announced the formation of a new “city” that barely has a population and consists mostly of desolate islands. Again, on November 24, 2008, China announced an investment of more than \$29 billion for oil exploration projects around the disputed waters.⁷⁸

Unless the ASEAN countries work collaboratively and proactively to confront China, this area will not only remain a typical bargaining game for China but also make these countries vulnerable to Chinese manipulation in and out. Although there may be a number of complications, the conclusions of the International Court in the two cases—Pulau Ligitan and Pulau Sipadan between Indonesia and Malaysia⁷⁹ and Pedra Branca/Pulau Batu Puteh, Middle Rocks and South Ledge between Malaysia and Singapore⁸⁰—might serve as a basis for initiatives to submit the various South China Sea disputes to international juridical agencies like the International Court or the International Tribunal for the Law of the Sea (ITLOS). A greater understanding of the economic, political, and overall security implications of conflict in the South China Sea will increase the possibility for a peaceful resolution of territorial disputes. More proactive confidence-building measures should also be taken to reduce the possibility of future conflicts in this potentially volatile region. However, the possibility of a wider regional conflict cannot be ruled out completely as happened in the Falklands. War between the United Kingdom and Argentina occurred because of diplomatic deadlock and military miscalculation. Whether it is the issue of climate change, or Korea and Tibet, the Rio Tinto case, or the South China Sea dispute, China is definitely getting more aggressive and more serious every moment. Therefore, the question is whether Beijing is really becoming a threat for the world or whether the methods that she sometimes uses to negotiate qualify as peaceful? Although China has stated that it favours equitable international order and peace, one might ask to what extent such considerations will shape China’s current defence policy.

Notes

- 1 "Military and Security Developments Involving the People's Republic of China 2010", A Report to Congress Pursuant to the National Defence Authorization Act for Fiscal year 2010, Office of the Secretary of Defence, p. 1.
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