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THE ISSUE: Towards Strategic Consolidation in the Indo-Pacific

American President Barack Obama visited Vietnam in May, the third such visit by a sitting US President in the post-Vietnam war era. The highlight of the visit was the withdrawal of the ban on [sales of lethal military equipment](#) to Vietnam by the U.S. in force since 1984. The U.S. had insisted for years that the lifting of the embargo would be contingent on Vietnam improving its human rights record. Coming at a time when the US is beefing up its pivot to Asia strategy and followed simultaneously by increasing apprehensions regarding China among littorals of the Indo-Pacific, the move signals that these concerns prevailed over the improvement of human rights record by Vietnam.



The official statement by Obama nevertheless mentioned that lifting of the ban was in no way related to concerns regarding China but was rather part of a process towards [normalization of bilateral relations](#). And indeed this was not an altogether sudden move. The U.S. had, in 2014, relaxed the arms restriction which subsequently allowed Vietnam to purchase maritime surveillance systems. The decision has been met with mixed reactions from members of the U.S Congress, some of whom feel that Vietnam still has a lot to do towards safeguarding human rights. The underlying rationale now for the complete removal of the embargo is entirely the same as it was in 2014 and it is a calculated move towards amalgamating solidarity and sway with countries of Southeast Asia. Coupled with this is the fact that Vietnam has been vocal in its backing of Philippines in its maritime claims against China's assertions, a case

which is pending arbitration at the Permanent Court of Arbitration at The Hague.

With the removal of the arms embargo, Vietnam will now be able to buy from the entire range of U.S. weapons and military equipment such as coastal patrol boats, drones, surveillance equipment and so on. Purchase of high end weapons are not expected soon however since the sale of military equipment will be subject to human rights commitments made by Vietnam. Also, defence equipment from the U.S may be both very sophisticated and expensive for the country's needs at the moment. Nevertheless, what is important is Vietnam will now have access to the purchase of a wide range of weapons and equipment from the U.S, ending its long [dependence on arms from Russia](#). So for Vietnam, the rescinding of the embargo comes with the scope of diversifying its weapons procurement while at the same time indicating a bolstering of its relationship with the U.S, something which China is sure to take note of. President Obama's visit to Vietnam was part of his trip to Japan for the G7 Summit where leaders expressed their concerns about maritime tension in the Asia-Pacific and stressed the need to settle disputed through peaceful measures. While there was no explicit mention of China, the implication was quite clear and drew criticism from China. As Washington and Hanoi consolidate their strategic ties, the direct implications will be felt in the waters of South China Sea, where maritime territorial disputes among the littorals and China's assertive posture have emerged as a security flashpoint in recent years, and further reveals the evolving US-China strategic rivalry in the Indo-Pacific region.

MEDIA WATCH

MEDIA WATCH June 2016

Indonesia will not file protest against China over another Natuna incident

Indonesia will not formally protest to Chinese authorities over a recent incident in Natuna, Riau Islands, during which a Chinese coast guard vessel was found to have escorted the MV GuiBei Yu 27088, a Chinese-flagged boat allegedly fishing illegally in Indonesian waters, a senior military officer has said. ([The Jakarta Post](#))

Old map shows the Philippines' claim over South China Sea islands groundless

An old map published in 1899 by geographer J. Martin Miller shows that islands in the South China Sea have never been Philippine territory, ZengYingjing, the owner of the map, has told Xinhua. The map shows the boundary of the U.S. possession in the Philippines agreed by the United States and Spanish Peace Commissioner at the Treaty of Paris in 1898. ([Xinhua](#))

G-7 warning on South China Sea tensions draw China ire

Group of Seven leaders delivered a warning over maritime tensions in Asia, standing by language set out by their foreign ministers that prompted swift criticism from China. While the section of the communique from the G-7 summit in central Japan related to territorial issues did not cite China by name, the reference to the disputed South China Sea was clearly aimed at the country. ([Bloomberg](#))

Philippine President Benigno Aquino attacks China for breaking deal on South China Sea

Philippine President Benigno Aquino accused China of breaking a US-brokered deal between the two nations on the Scarborough Shoal, an uninhabited rocky outcrop in the South China Sea. Aquino said the United States moved in quickly to resolve the stand-off, brokering a “face-saving” deal by asking both nations to pull out their ships, but only the Philippines withdrew. ([South China Morning Post](#))

SCO supports peace and stability in South China Sea

Countries of Shanghai Cooperation Organization (SCO) expressed support for maintaining peace and stability in Asia-Pacific region, including the South China Sea. The SCO member states stressed the UN Charter, UN Convention of the Law of the Sea (UNCLOS), Five Principles of Peaceful Coexistence and other international laws should be the basic principles when addressing the South China Sea issue. ([Xinhua](#))

Obama lifts US embargo on lethal arms sales to Vietnam

President Barack Obama has announced the US is fully lifting its embargo on sales of lethal weapons to Vietnam, its one-time enemy. Speaking during a visit to communist Vietnam and talks with its leaders, Mr Obama said the move removed a "lingering vestige of the Cold War". The US is trying to bolster its relationship with its Pacific allies, as China asserts territorial claims. ([BBC](#))

Eastern Fleet sets sail for South China Sea, north west Pacific

In a demonstration of its operational reach and commitment to India's 'Act East' policy, the Indian Navy's Eastern Fleet, under the command of Flag Officer Commanding Eastern Fleet Rear Admiral S.V. Bhokare, sailed out on Wednesday on a two-and-a-half-month-long operational deployment to the South China Sea and North West Pacific. In addition to showing the Flag in this region of vital strategic importance to India, these ships will also participate in MALABAR-16, a maritime exercise with the US Navy and JMSDF. ([The Hindu](#))

Annual South China Sea fishing ban begins

Some 8,000 fishing boats returned to ports as the 18th annual fishing ban began in the South China Sea. From May 16 to August 1, no fishing is allowed in parts of the sea under China's jurisdiction except by single-layer gill nets or other approved methods, including conventional angling. Fishing bans in the South China Sea began in 1999. Although they have reduced the income of some fishermen, bans protect fisheries and ensure the industry's sustainability. ([Business Standard](#))

India, US hold first Maritime Security Dialogue

India and the US today held their first Maritime Security Dialogue here which focussed on boosting cooperation in the challenging sector with Washington rebalancing its military assets to Asia Pacific. The discussion focused on strategic maritime security issues like Asia-Pacific maritime challenges, naval cooperation, and multilateral engagement. ([The Economic Times](#))

China using ‘coercive tactics’ in maritime disputes, says Pentagon report

China is using “coercive tactics” and fostering regional tensions as it expands its maritime presence in the South China Sea and elsewhere, but is avoiding triggering an armed conflict, the Pentagon said in a report. In its annual report to the US Congress, the Defence Department outlined China’s rapid military growth and described how it was assertively defending sovereignty claims across the disputed East China Sea and South China Sea. ([South China Morning Post](#))

China, US must manage risk of conflict in South China Sea constructively, says Beijing

A senior Chinese PLA official has told an American military chief that Beijing and Washington should manage the risk of conflict in the South China Sea constructively – and that China was not to blame for escalating tensions in the region. The comments from Fang Fenghui, chief of the PLA’s Joint Staff Department, were made on Thursday during a conversation via a video link with Joseph Dunford, the chairman of the US Joint Chiefs of Staff. ([South China Morning Post](#))

Beijing launches charm offensive ahead of South China Sea court ruling

Beijing has launched a charm offensive to shore up its position in the South China Sea ahead of a key international court decision widely expected to rule against its claims to the disputed waters. Over the past two weeks, China has seen successes in courting India, Russia, Pakistan, Belarus, Laos — and even Brunei, one of six claimants to areas of the South China Sea. Most have found common ground with Beijing in its opposition to “internationalizing” the South China Sea issue. ([The Japan Times](#))

COMMENTARIES

Why fight China for Scarborough Shoal?

- *Patrick J. Buchanan*

If China begins to reclaim and militarise Scarborough Shoal, says Philippines President Benigno S. Aquino III, America must fight. Should we back down, says Aquino, the United States will lose “its moral ascendancy, and also the confidence of one of its allies.”

And what is Scarborough Shoal? A cluster of rocks and reefs, 123 miles west of Subic Bay, that sits astride the passageway out of the South China Sea into the Pacific, and is well within Manila’s 200-mile exclusive economic zone.

Beijing and Manila both claim Scarborough Shoal. But, in June 2013, Chinese ships swarmed and chased off a fleet of Filipino fishing boats and naval vessels. The Filipinos never came back.

And now that China has converted Fiery Cross Reef and Mischief Reef into artificial islands with docks and air bases, Beijing seems about to do the same with Scarborough Shoal. “Scarborough is a red line,” says Gregory Poling of the Center for Strategic and International Studies. To allow China to occupy and militarize the reef “would clearly change the balance of power.”

Really? But before concluding that we must fight to keep China from turning Scarborough Shoal into an island base, there are other considerations.

High among them is that the incoming president of the Philippines, starting June 30, is Rodrigo Duterte, no admirer of America, and a populist authoritarian thug who, as Mayor of Davao, presided over the extrajudicial killing of some 1,000 criminals during the 1990s. Duterte, who has charged Aquino with treason for abandoning Scarborough Shoal, once offered to set aside his country’s claim in exchange for a Chinese-built railroad, then said he might take a jet ski to the reef to assert Manila’s rights, plant a flag and let himself be executed to become a national hero.

In a clash with China, this character would be our ally. Indeed, the rise of Duterte is yet another argument that, when Manila booted us out of Subic Bay at the Cold War's end, we should have dissolved our mutual security pact.

This June, an international arbitration tribunal in The Hague will rule on Manila's claims and China's transgressions on reefs that may not belong to her. Beijing has indicated she will not accept any such decision.

So, the fat is in the fire. And as the Chinese are adamant about their claims to the Spratly and Paracel Islands and virtually all the atolls, rocks and reefs in the South China Sea, and are reinforcing their claims by creating artificial islands and bases, the U.S. and China are headed for a collision.

U.S. warships and reconnaissance planes passing near these islets have been repeatedly harassed by Chinese warplanes. Vietnam, too, has a quarrel with China over the Paracels, which is why President Obama is being feted in Hanoi and why he lifted the ban on arms sales. There is now talk of the Navy's return to Cam Ranh Bay.

But before we agree to support the claims of Manila and Hanoi against China's claims, and agree to use U.S. air and naval power if needed, we need to ask some hard questions.

What vital interest of ours is imperiled by who owns, or occupies, or militarizes Scarborough Shoal? If U.S. rights of passage in the South China Sea are not impeded by Chinese planes or ships, why make Hanoi's quarrels and Manila's quarrels with China our quarrels?

Vietnam and the Philippines are inviting us back to our old Cold War bases for a simple reason. If the Chinese use force to back up their claims, Hanoi and Manila want us to fight China for them.

But, other than a major war, what would be in it for us? And if, after such a war, we have driven the Chinese off these islets and destroyed those bases, how long would we be required to defend them for Hanoi and Manila? Have we not enough war guarantees outstanding?

We are moving NATO and U.S. troops into Eastern Europe and anti-missile missiles into Poland and Romania, antagonizing Russia. We are fighting in Afghanistan, Iraq, Syria, Libya, and Yemen, and, if the neocons get their way, we will soon be confronting Iran again. Meanwhile, North Korea is testing nuclear warheads for long-range missiles that can reach the American homeland.

And no vital U.S. interest of ours is imperiled in the South China Sea. Should Beijing insanely decide to disrupt commercial traffic in that sea, the response is not to send a U.S. carrier strike group to blast their artificial islands off the map.

Better that we impose a 10 percent tariff on Chinese-made goods, and threaten an embargo of all Chinese goods if they do not stand down. And call on our "allies" to join us in sanctions against China, rather than sit and hold our coat while we fight their wars. This economic action would send China's economy into a tailspin, and the cost to Americans would not be reckoned in the lives of our best and bravest.

Patrick J. Buchanan is a founding editor of The American Conservative and the author of the new book The Greatest Comeback: How Richard Nixon Rose From Defeat to Create the New Majority.

Source: *The American Conservative*

Duterte presidency: Shift in Philippine-China relations?

- Rommel C. Banlaoi

Incoming President Rodrigo Duterte appears to be pursuing a paradigm shift in Philippines-China relations. From the previous administration's policy of refusal to hold bilateral negotiation with China to address the Spratly problem, Duterte has expressed his serious intention to resume bilateral talks with China again. If this comes to pass, Duterte promises to be an emerging game changer in Philippines-China relations.

During his presidential campaigns, Duterte already articulated his preference to hold bilateral discussions with China to peacefully manage the South China Sea disputes. Duterte made this stand even if this preference was viewed to be unpopular considering the Filipinos' very low acceptability of China's recent

actions in the South China Sea, particularly in the Scarborough Shoal, which is less than 200 km from Subic Bay and which the Philippines claim.

Changing attitude towards China?

The Filipino public continues to detest China's assertiveness in the South China Sea through its island building, construction development and facilities improvement in contested areas considered by the Philippines as an integral part of its Exclusive Economic Zone (EEZ). But Duterte's strong performance at the polls seems to demonstrate Filipinos' approval of Duterte's new approach to the South China Sea problem and Philippines-China relations.

The Duterte presidency could open many opportunities for the improvement of Philippines-China political relations. But Duterte has to be cognisant of two major challenges that might affect his administration's achievement of that goal:

The first is the result of the international arbitration of the South China Sea dispute between the Philippine government and China. The Permanent Court of Arbitration (PCA) at The Hague is expected to render its decision soon. Should the International Arbitral Tribunal not offer the Philippines a total legal victory on the case, even a partial legal victory can yield some political purposes domestically and internationally.

Duterte has the option of using the result of the arbitration as his main political leverage in resuming bilateral talks with China. But there is a strong likelihood that Duterte will not pursue this option, as China will not want to see him raising the arbitration case in the process of resuming any bilateral discussions on the South China Sea disputes.

Handling fallout from arbitration tribunal

As a confidence building measure, it is likely that Duterte will keep mum on the arbitration result and set it aside for the time being while his administration exerts efforts to repair the Philippines' damaged political ties with China. But there is no way for the Duterte administration to withdraw from the arbitration process because of domestic and international considerations.

Domestically, the arbitration case has the approval not only of the Filipino public but also of key national

leaders involving past presidents, the senate president, the speaker of the house, justices of the supreme court and concerned department secretaries. Internationally, the international arbitration case has the support of the Philippines' security ally, the United States, and other strategic partners in regional security like Japan, Australia, South Korea, and key members of the European Union.

But if bilateral talks with China fail to bear fruit that will redound to the benefit of the Filipino people, particularly on Filipino fishermen who are greatly affected by sea disputes, Duterte can use the arbitration decision as a fall back option. Thus, China also needs to exert its own efforts in fixing its broken political relationship with the Philippines as it takes two to tango, so to speak.

The second is the implementation of the Enhance Defence Cooperation Agreement (EDCA) with the US. The Duterte administration is duty-bound to implement EDCA considering that the Philippine Supreme Court already declared its constitutionality.

Moreover, the Philippines remains as a security ally of the US which views EDCA as a tool to enhance this alliance. While Duterte will not put any obstacle to the EDCA's implementation, his administration will avoid the previous administration's excessive pro-Americanism of embracing Philippine-American alliance at the expense of Philippines-China political ties.

Hedging strategy

In the end, the likelihood is that Duterte will pursue a hedging strategy of enhancing security alliance with the US while engaging China economically and politically. This hedging strategy is not unique to Duterte because other Southeast Asian leaders are already doing so. Thailand, for example, continues to be a treaty ally of the US but currently pursues a tactical flirting moment with China for economic reasons.

Indonesia, Malaysia, Singapore and Vietnam are economically interdependent with China so they have enormous interests to maintain good political ties with Beijing being a rising power. But these countries also pursue the need to improve security ties with the US being an established superpower with the only capability of global military deployment.

There is no doubt that Cambodia, Laos and Myanmar have excellent ties with China. But these three countries also welcome the role of the US as a security provider in Asia.

Duterte's inclination to mend the Philippines' political ties with China in order to improve both countries' economic relations is a very pragmatic option considering the country's very long ties with China that dates back to the 10th century. As the fastest rising power of the 21st century with the world's largest foreign currency reserve of US\$3.2 trillion, China can offer the Philippines many economic opportunities that are necessary for the Duterte administration to achieve his campaign promises to improve Philippine infrastructure, enhance bilateral trade, boost tourism, raise employment, alleviate poverty and broaden social services to the Filipino people he has sworn to serve.

Reality of treaty with US

But Duterte needs to squarely face the stark reality of the Philippines being a formal treaty ally of the US. In fact, this is the only security alliance of the Philippines with other nations. This alliance with the US is a major determinant of Philippine relations with other countries. Unless Duterte opts out of this alliance, the US will continue to be a major driver of Philippine foreign policy.

While Duterte seeks closer ties with China, his administration also needs to see the strategic advantages of continuously enhancing defence ties with the US. The improvement of Philippines-China relations shall be pursued not at the expense of existing Philippine-American alliance. In so doing, the Duterte administration can get the very best of both worlds for the advancement of Philippine national interests.

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Source: RSIS Commentary

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