



*Routledge Studies in US Foreign Policy*

# **ALLIANCE DECISION- MAKING IN THE SOUTH CHINA SEA**

## **BETWEEN ALLIED AND ALONE**

Joseph A. Gagliano



# Alliance Decision-Making in the South China Sea

Examining five states engaged in territorial disputes with China in the South China Sea, this book explores what factors have influenced state decisions to form security relationships with the United States and how the evolution of these factors might affect future security relationships in the South China Sea.

China's territorial claims are contested by Malaysia, the Philippines, Vietnam, Brunei and Indonesia, with the United States viewed as the most likely counter-balance to coercive behavior towards them. However, only one of these five states — the Philippines — has maintained a guarantee of protection through alliance with the United States. Using research on U.S. policy preferences based on recently declassified material, this book produces conclusions previously inaccessible beyond classified forums. The author surveys recent alliance theory developments to examine relationships between claimant states and the United States, explores historical bilateral relations and considers the future of regional security relationships.

This book contributes to the fields of security studies, foreign policy and international relations and expands beyond traditional concepts of defense alliances to explore security cooperation along a spectrum from allied to aligned to non-aligned.

**Joseph A. Gagliano** is a specialist in national security policy and politico-military strategy. In a career of public service, he has held numerous U.S. national security positions in policymaking, strategic planning and academic research. His most recent positions include the National Security Council's Director for Defense Policy and Strategy at the White House and the Joint Staff's politico-military strategist for South China Sea policy at the Pentagon. Dr. Gagliano authored *Congressional Policymaking in Sino-U.S. Relations during the Post-Cold War Era* (Routledge, 2014) and *Shiphandling Fundamentals for the Littoral Combat Ship and New Frigates* (Naval Institute Press, 2015). He holds a PhD and MALD in International Relations from The Fletcher School of Law and Diplomacy at Tufts University, as well as an MA in National Security and Strategic Studies from the U.S. Naval War College. Dr. Gagliano has been awarded visiting fellowships at Oxford University (St. Antony's College and Pembroke College) and the First Sea Lord's Staff at the UK Ministry of Defence.



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**For Stephanie**

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# Prologue

In the first two decades of the 21st century, the South China Sea has drawn widespread attention from security and defense planners both inside and outside the region. Numerous territorial and maritime disputes, in combination with China's increasing military and economic power, have caused many to postulate war is unavoidable. If the other claimant states — Malaysia, the Philippines, Vietnam, Brunei and Indonesia — do not agree to China's terms, Beijing may settle these disputes by force.<sup>1</sup>

Adjacent to the Malacca Strait, the South China Sea connects the Indian and Pacific Oceans, with half of the global merchant fleet by tonnage and one third of crude oil transiting this waterway. Half of all Indian trade and nearly \$1.2 trillion of U.S. trade flows through this area.<sup>2</sup> China's high energy demand means Beijing depends on oil imports for economic growth and domestic stability, and ninety percent of Chinese foreign trade is seaborne.<sup>3</sup> The South China Sea also possesses untapped natural resources, with proven oil reserves of 7.7 billion barrels and estimates of nearly 22 billion barrels of crude oil and 290 trillion cubic feet of natural gas trapped under the seafloor.<sup>4</sup> In addition to fossil fuels, coastal communities throughout Southeast Asia depend heavily on access to its vast fisheries.

China's rising power has affected international relations throughout East Asia, but Southeast Asia possesses a special difficulty. The South China Sea features long-standing territorial disputes, and until the latter half of the twentieth century, states did not demonstrate a desire to enforce their claims. The disputed land features of the South China Sea exist in four groups. In general terms, relative to the completely submerged Macclesfield Bank at the center of the South China Sea, the Paracel Islands lie in the west, the Pratas Islands in the northeast, Scarborough Shoal in the east, and the Spratly Islands in the south. Vietnam claims the Paracel and Spratly Islands; the Philippines, Scarborough Shoal and part of the Spratly Islands; Malaysia and Brunei, smaller parts of the Spratly Islands; and China claims all land features in all four groups.<sup>5</sup> The Paracel Islands are occupied by China, the Pratas Islands by Taiwan, and the Spratly Islands are variously occupied by China, Taiwan, Vietnam, the Philippines, and Malaysia. China has maintained de facto control of Scarborough Shoal since Chinese maritime forces established a permanent

presence following a 2012 standoff with the Philippines. While Indonesia does not claim any of these land features, the overlapping maritime rights of the disputed islands and non-disputed Indonesian territory extend the conflicting interests beyond just the land itself.<sup>6</sup>

China's South China Sea claims originate from its so-called "nine-dash line" drawn on official 1947 Republic of China maps. Also colloquially referenced as the "cow's tongue," Beijing asserted its "more than 2,000 years of history" of discovery and activity in the region when the People's Republic of China adopted this claim following the 1949 communist revolution, and Beijing claimed undisputed sovereignty over all included land features.<sup>7</sup> The number of lines has changed over time—the original bore eleven dashes, Chinese Premier Zhou Enlai removed two dashes in the Gulf of Tonkin, some recent maps feature a tenth line east of Taiwan, and Beijing's 2009 Notes Verbales submission to the United Nations omitted the tenth line. Still, China's geographic claim has remained relatively steady since 1947.<sup>8</sup> Beijing has not stated whether this claim asserts sovereignty over the land features only or also the sea. While disputes over land depend on state-to-state interactions that often depend more on power than institutional constraints, maritime rights are governed by the 1982 United Nations Convention on the Law of the Sea (UNCLOS), frequently referenced as international law. The five claimants examined in this book have dismissed the nine-dash line's validity over maritime rights, citing widely recognized UNCLOS guidelines. In this convention historical rights only apply to a narrow subset of possible claims, such as bays and territorial seas limitations, all of which can only exist along a state's coastline. Since the convention does not contain any exception for historical claims that infringe on the sovereign rights of another state, or the freedom to use the high-seas by any state, the convention's guidelines prioritize continental shelf limits over occupation by government forces or expressed political proclamations.<sup>9</sup> Despite the ambiguity over maritime implications of the nine-dash line, Beijing has stated clearly that "China has indisputable sovereignty over the islands in the South China Sea."<sup>10</sup>

China embarked on an initiative in 2013 to expand its presence through land reclamation and military construction in the Spratly Islands. China developed Johnson South Reef into an artificial island amounting to more than one million square feet, equivalent to about 17 football fields. It added 1.2 million square feet of territory to Gaven Reef, including an anti-aircraft tower, dock, gun emplacements, and various military grade radar and communications equipment. A similar reclamation project yielded an additional 9.5 million square feet of land to Fiery Cross Reef, making it more than three times larger than the previous largest island in the Spratly Islands, Itu Aba.<sup>11</sup> Overall, China increased land area in the South China Sea by nearly one and a half square miles since 2013, marking a twenty-five percent increase over the collective landmass of South China Sea land features. The U.S. Defense Department characterized Chinese actions as "creating a great wall of sand," and the U.S. State Department described it as a policy to "militarize outposts on disputed land."<sup>12</sup>

In response to claims of militarization by the other claimant states and the United States, China's Foreign Ministry asserted the newly built outposts only included civilian facilities. Beijing also argued its reclamation projects were not novel in the Spratly Islands.<sup>13</sup> It pointed to Malaysia's construction of a 1.2 million square foot island Swallow's Reef, where the Malaysian military has operated an airstrip since 1983.<sup>14</sup> While Beijing's Ministry of Foreign Affairs has denounced China's critics as exhibiting "a total double standard... unfair and not constructive," China's more assertive foreign policies, manifested in the scope of its reclamation projects and backed by a modernized military force able to defend this newly created land, have intimidated its neighbors through the use of hard power to pursue Chinese national interests.<sup>15</sup>

President Xi Jinping declared these territorial claims a national priority, setting forth more confrontational policies that included: encouraging Chinese fishing in disputed waters, deploying armed maritime forces to escort an oil drilling platform into Vietnam's claimed exclusive economic zone, cutting cables on foreign survey ships, harassing foreign fishermen, and threatening maritime security forces carrying out fisheries enforcement.<sup>16</sup> To be clear, not all aggressive activities in the region were directed by the ruling authorities in Beijing, but rather, some of this assertive behavior emerged from local citizens adopting the more nationalistic tone of the Xi era. The Xi regime's rhetorical emphasis on protecting China from foreign oppression inspired zeal by local authorities. Pursuing more aggressive enforcement as part of China's renewed vigor, their actions *prima facie* appeared to be Beijing-directed policy. These local forces, however, operated outside Beijing's close control and more closely resembled vigilantes than proxies, motivated by nationalistic fervor rather than centrally directed national strategy. Even though their behavior often exceeded Beijing's appetite for conflict with the other claimant states, the Chinese leadership avoided denouncing their actions, because they were intended as defending China's rights. The benefits of national unity in this case outweighed the costs of inter-state friction.<sup>17</sup>

Despite its rhetoric regarding non-realist efforts to resolve ambiguity in the ocean space, Beijing has worked to block diplomatic efforts to address these territorial disputes in multilateral forums. This approach has preserved the power advantage inherent in bilateral relations between China and these smaller regional states.<sup>18</sup> By compelling the other claimant states to remove words such as "international" and "multilateral" from proposed agreements, Beijing has guaranteed that signed understandings have avoided reference to multilateral solutions.<sup>19</sup>

Additionally, Malaysia and Brunei pursued other multilateral forums to internationalize the disputes to offset China's bilateral advantage. These small states have wielded outsized regional influence as full Association of Southeast Asian Nations (ASEAN) members, which was particularly evident when Malaysia used its ASEAN chairmanship in 2015 to champion a joint ASEAN peacekeeping force in the South China Sea.<sup>20</sup>



This book explores the security politics within this geostrategic standoff. Classical realist power calculations do not explain completely security decision-making by the claimant states. If only pursuing policies based on realist variables, states engaged in territorial disputes with China likely would have sought security from a larger power. Seeking a security guarantee from a superpower would radically shift the power balance, forcing Beijing into a much different cost-benefit calculation before initiating war. Yet, most claimants have not sought a guarantee of protection. Subsequent chapters explain why minor powers seek major power security patrons and why major powers seek security clients in order to understand what makes likely patron–client pairs.

## Notes

- 1 As explained below, Taiwan is purposefully excluded from this list. See note 5.
- 2 U.S. Energy Information Administration, “South China Sea,” U.S. Government, [http://www.eia.gov/countries/analysisbriefs/South\\_China\\_Sea/south\\_china\\_sea.pdf](http://www.eia.gov/countries/analysisbriefs/South_China_Sea/south_china_sea.pdf).
- 3 David Rosenberg and Christopher Chung, “Maritime Security in the South China Sea: Coordinating Coastal and User State Priorities,” *Ocean Development & International Law* 39, no. 1 (2008): 58–59.
- 4 David Michel and Ricky Passarelli, “sea Change: Evolving Maritime Geopolitics in the Indo-Pacific Region,” Stimson Center, <http://www.stimson.org/images/uploads/research-pdfs/SEA-CHANGE-WEB.pdf>.
- 5 Since Taiwan still considers itself the rightful seat of Chinese power, Taipei maintains the same claims as Beijing. While this relationship remains an irritant to Beijing, it likely believes that those islands in the South China Sea occupied by Taiwan will revert to China’s control upon eventual reunification. Because of this special relationship, the remainder of this analysis omits the China–Taiwan territorial disputes.
- 6 Jeffrey Bader, Kenneth Lieberthal, and Michael McDevitt, “Keeping the South China Sea in Perspective,” Brookings, <http://www.brookings.edu/~media/research/files/papers/2014/08/south-china-sea-perspective-bader-lieberthal-mcdevitt/south-china-sea-perspective-bader-lieberthal-mcdevitt.pdf>.
- 7 The nine-dash line has been referred to as the “cow’s tongue,” “u-shaped line,” and “dotted line.” Ministry of Foreign Affairs of the People’s Republic of China, “Position Paper of the Government of the People’s Republic of China on the Matter of Jurisdiction in the South China Sea Arbitration Initiated by the Republic of the Philippines,” People’s Republic of China, [http://www.fmprc.gov.cn/mfa\\_eng/zxxx\\_662805/t1217147.shtml](http://www.fmprc.gov.cn/mfa_eng/zxxx_662805/t1217147.shtml).
- 8 United States Department of State, “Limits in the Seas,” U.S. Government, <http://www.state.gov/documents/organization/234936.pdf>.
- 9 Division for Ocean Affairs and the Law of the Sea, “Commission on the Limits of the Continental Shelf (CLCS): Outer Limits of the Continental Shelf Beyond 200 Nautical Miles from the Baselines,” United Nations, [http://www.un.org/depts/los/clcs\\_new/submissions\\_files/submission\\_mysvnm\\_33\\_2009.htm](http://www.un.org/depts/los/clcs_new/submissions_files/submission_mysvnm_33_2009.htm).
- 10 State, “Limits in the Seas”, U.S. Government, <http://www.state.gov/documents/organization/234936.pdf>.
- 11 Mira Rapp-Hooper, “Before and After: The South China Sea Transformed,” The Center for Strategic and International Studies, Asia Maritime Transparency Initiative, <http://amti.csis.org/before-and-after-the-south-china-sea-transformed/>.
- 12 Simon Denyer, “U.S. Navy Alarmed at Beijing’s ‘Great Wall of Sand’ in South China Sea,” *Washington Post*, April 1, 2015.

- 13 China described the civilian facilities as “typhoon shelters, navigation aids, search-and-rescue centers, marine meteorological forecasting stations, fishing services and civil administration offices,” but it did concede that these facilities could also be used for military defense. Ministry of Foreign Affairs of the People’s Republic of China, “China’s Statement on Its Construction in the South China Sea,” *New York Times*, April 10, 2015.
- 14 “Spratly Islands Conflicting Claims,” *Global Security*, <http://www.globalsecurity.org/military/world/war/spratly-conflict.htm>.
- 15 Ministry of Foreign Affairs of the People’s Republic of China, “China’s Statement on Its Construction in the South China Sea,” *New York Times*, April 10, 2015; Linda Jakobson, *China’s Unpredictable Maritime Security Actors*, Lowy Institute, [http://www.lowyinstitute.org/files/chinas-unpredictable-maritime-security-actors\\_3.pdf](http://www.lowyinstitute.org/files/chinas-unpredictable-maritime-security-actors_3.pdf).
- 16 Carlyle A. Thayer, “Indirect Cost Imposition Strategies in the South China Sea: U.S. Leadership and ASEAN Centrality,” Center for New American Security, <http://www.cnas.org/sites/default/files/publications-pdf/CNAS%20Maritime%208%20Thayer.pdf>.
- 17 Jakobson, *China’s Unpredictable Maritime Security Actors*, 12.
- 18 zRonald O’Rourke, “Maritime Territorial and Exclusive Economic Zone (EEZ) Disputes Involving China: Issues for Congress” (Washington DC: Congressional Research Service, 2014).
- 19 Euan Graham and Henrick Tsjeng, *Navigating the Indo-Pacific Arc*, S. Rajaratnam School of International Studies, <http://www.rsis.edu.sg/wp-content/uploads/2014/12/Monograph32.pdf>.
- 20 Trefor Moss, “Malaysia Proposes Joint ASEAN Peacekeeping Force,” *Wall Street Journal*, March 19, 2015.

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