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# Navigating Turbulent Tides in a Global Crisis: The South China Sea

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#### **Abstract**

This paper provides a detailed overview of the South China Sea Dispute, taking into account the various stakeholders involved, their interest and how these interests shape their approach to the dispute, in contrast to the trend of simplification of the conflict into a US-China issue. The paper explores the origins of the conflict, how economics has transformed it, the global significance of the South China Sea (SCS), and the potential ramifications of a large-scale conflict. With this information in mind, the paper attempts to suggest a potential policy based solution to the conflict that takes into account all the previous attempts at resolution. This proposal includes a legally binding code of conduct, an emphasis on multilateral agreements to strengthen the Association of Southeast Asian Nations (ASEAN), joint resource exploration and management, a platform for open state to state dialogue, and an ASEAN headed conflict resolution body. This paper and its proposal ultimately aims to champion the principles of cooperation, transparency, and mutual understanding that are crucial for a peaceful resolution of disputes in the South China Sea.

Keywords: South China Sea, dispute resolution, China, ASEAN

# I. Introduction

The South China Sea (SCS) is an expansive body of water covering close to 4 million square kilometers, an area approximately the size of the Indian sub-continent or the European Union. Upwards of 1/3 of global trade<sup>1</sup> passes through the SCS annually; and new sources of

hydrocarbons<sup>2</sup> are rapidly being discovered in it, making it one of the most economically significant areas in the world.

Due to this significance, the states which are fortunate enough to be graced by the South China Sea's powerful tides and rolling swells have a vested interest in maintaining their positions and holdings. For this reason, it has become the epicenter of numerous conflicts, standoffs, and disputes, making it the most important geopolitical area in

<sup>&</sup>lt;sup>1</sup> Anthony H. Cordesman, Arleigh A. Burke, and Max Molot, "The Critical Role of Chinese Trade in the South China Sea." China and the U.S.: Cooperation, Competition and/or Conflict An Experimental Assessment, (Winter 2019): p.337

<sup>&</sup>lt;sup>2</sup> Anthony Cordesman, "<u>Chinese Energy Transit and Resource</u> Potential in the South China Sea," in *Chinese Strategy, Military Forces, and Economics: The Metrics of Cooperation, Competition and/or Conflict*, (CSIS, 2018), 173

South East Asia. This has led to a seven decades long conflict which shows little sign of subsiding peacefully.

The objective of this article is to give a well rounded, well sourced, and multifaceted view on the South China Sea Conflict. It will examine key stakeholders, the present and future economic viability of the sea, and how struggles over control and sovereignty have and will continue to affect regional and global stability. Utilizing this information, the article will suggest potential policies that could mitigate the risk of further conflict escalation and foster stability, possibly even contributing to a final resolution in the near future.

When examining the corpus of academic literature concerning the South China Sea Disputes it becomes clear that the vast majority of writings frame this conflict as a US-China issue and disregard the influence of other nations. Although an analysis of US-China is crucial in understanding this conflict due to the bipolar nature of the international arena, marginalizing all other states leaves us with a rigid and overly simplistic understanding of the power politics at play. This China-US tunnel vision eclipses the crucial role of progressive and steady conflict resolution by dismissing the most crucial parties in the conflict, who play an indispensable role in arriving at all encompassing and comprehensive resolutions.

An additional limitation within the academic literature on the South China Sea Dispute is the notable paucity of policy proposals. This issue is inextricably tied to the tendency to frame the conflict primarily as a US-China issue. As previously mentioned, this inhibits the possibility of potential solutions, depicting the dispute as a wicked problem. As a result, there is an escalation of antagonism and unchanging state dynamics, as all previous actions and commitments will be perceived as sunken costs underpinned by the belief that a mutually beneficial resolution is unattainable. As a result, this could be a driver for further aggression, driven by expansionist motivations and self-defense. This inevitably casts a bleak and foreboding shadow over a conflict that in all likelihood, could be amicably resolved through inclusive and comprehensive analysis. This paper will attempt to address both of these gaps, and as previously discussed, give a comprehensive and nuanced explanation of the South China Sea Dispute, putting the more overlooked states at the forefront and giving them the protagonism that they hold alongside their more powerful counterparts.

#### II. Historical Background

The modern beginnings of the South China Sea Conflict emerged in 1947 with the Nationalist Chinese Government's publication of the "Nine-Dash Line", proclaiming its sovereignty and claim over vast areas of the SCS, including the Paracel and Spratly Islands and the Scarborough Shoal.

In 1951, during the signing of the San Francisco Treaty, Japan relinquished its control and claims over the SCS, which it had controlled for more than a decade. However, it failed to recognize which state now held sovereignty over the various islands and expanses of the SCS. This allowed South Vietnam to proclaim its claim over the archipelagos and large expanses of the SCS without any significant retort or complaint from any other regional or global power. Its claim was later bolstered by the 1954 Geneva Accords, which implied that Vietnam inherited the French Indochina's territories south of the North and South Vietnamese border, including the Spratly and Paracel islands.

Between 1954 and 1974, various other nations would lay claim to the islands in the SCS, including the Philippines who laid claim to the Spratly islands and named them "FreedomLand". The Chinese navy increased its military presence in the sea to strengthen its own claims in response.

In January of 1974, China militarily seized control of the Paracel Islands from South Vietnam, killing 53 Vietnamese soldiers, and opening the door for militarization and further violent confrontations between claimants. Following this confrontation, known as the battle of the Paracel Islands, all claimant countries began rapidly militarizing and building fortifications and outposts on their various territorial claims in the SCS, significantly raising tensions. For the next decade, most confrontations would involve small skirmishes and state interference and sabotage. The next major military engagement occurred in 1988. The "Johnson South Reef Skirmish" was a confrontation between China and Vietnam over the Johnson South Reef, a territory in the Spratly Islands. It

resulted in significant Vietnamese casualties and Chinese occupation on the territory and the consolidation of its presence in the Spratlys.

Nearing the end of the 20th century, we saw continued militarization, occupations and constructions of bases to push various claims. The dispute has since been characterized by the expansion and continued assertions of claims, followed by appeals and protest to external parties and regional organizations such as ASEAN. Some of these instances include the 1995 Mischief Reef Confrontation, in which the Philippines discovered Chinese structures being constructed on the Mischief Reef, an area of the Spratlys that was well within the Philippine EEZ. The Philippines responded through diplomatic protests to no avail, marking the general character of the dispute since its beginnings to 2000.

The South China Sea turned into a hotbed of conflict and confrontation between Southeast Asian states, as well as a key driver for militarization in the region. The state dynamic established during this period cannot be overlooked when analyzing the current state of affairs in the SCS today and attempting to devise solutions, which must take into account dynamics such as the ever present antagonism between China and Vietnam.<sup>3</sup>

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<sup>&</sup>lt;sup>3</sup> Rodolfo Severino, "<u>ASEAN and the South China Sea</u>," *Security Challenges* 6, no. 2 (2010): 37–47.

# III. Economic Importance of the South China Sea

The importance of the SCS cannot be overstated, as over ½ of global trade passes through annually, amounting to over \$3.4 trillion dollars. It also accounts for over 30% of global crude oil shipments, or over 15 million barrels of oil daily. Additionally, it is said to harbor over 11 billion barrels of untapped oil and 190 trillion cubic feet of natural gas, resources which are heavily relied on by the coastal states that surround it.<sup>4</sup>

#### 3.1 China

China is the world's largest importer of crude and refined petroleum, meeting 80% of its energy needs through imported oil. 90% of this imported oil 64% of its maritime trade passes through this strait. China not only aims to obtain security over these imports and exports, but also to extract oil from the various reserves in the SCS to reduce its dependence on foreign oil,, and increase its leverage over its neighbors by removing the possibility of them meeting their energy needs through extraction from the SCS. A potential conflict in the SCS poses relatively small economic issues for China, as it has other sources and routes for energy imports. This explains its willingness to get into direct conflict in the SCS, as it is aware both of its own resistance to economic downturn and of the vulnerability of those who oppose its claims.

The Philippines is much more reliant on the South China Sea, as fishery, accounts for 2.1 million jobs, and 50% of the protein sources for Filipino families<sup>6</sup>. For this reason the Philippines is adamant about maintaining sovereignty over their EEZ and criticizes China over the practices its fishermen employ, which include the use of dynamite and cyanide, posing a serious threat to this vital source of economic and food security of the Philippines. Additionally, a significant source of energy and revenue for the Philippines is the natural gas and petroleum it extracts from its EEZ. In order to bolster its economy, it has attempted to explore sources of hydrocarbons from the Reed Bank but has repeatedly met Chinese opposition. According to a study published by the US National Bureau of Economic Research, a conflict in the SCS would impose a 10.78% welfare loss<sup>7</sup> on the Filipino economy, which could be potentially disastrous.

#### 3.3 Vietnam

Vietnam, similar to other claimant states, is reliant on the energy sources found in the SCS, yet Vietnam's dependence is much heavier, defining its much more aggressive stance towards Chinese interference involving resource rich areas. PetroVietnam, a state owned company involved in oil extraction in the SCS, accounts for more than 24% of Vietnam's GDP, increasing in revenues in 2022 by 48%, and earning 14.2 billion dollars in the first

<sup>3.2</sup> The Philippines

<sup>&</sup>lt;sup>4</sup> Cordesman, "<u>The Critical Role of Chinese Trade</u>," page number 337

<sup>&</sup>lt;sup>5</sup> David Uren, "Conflict in the South China Sea: Analyzing the economic toll," Vision of Humanity, September 23, 2021

<sup>&</sup>lt;sup>6</sup> "Better seafood Philippines," Sustainable Fisheries Partnership, last accessed 10 December, 2023

<sup>&</sup>lt;sup>7</sup> Uren, "Conflict in the South China Sea"

quarter of 2023<sup>8</sup>. Due to this dependence, Vietnam is looking towards the expansion of oil exploration in its EEZ and perhaps beyond. In the case of a conflict, there is a predicted 13.23% welfare loss in Vietnam<sup>9</sup>, potentially resulting in dire consequences.

### 3.4 Malaysia

Malaysia is the 5th largest exporter of liquid natural gas (LNG) in the world, and a main player in the 40% of the global trade in natural gas that passes through the SCS. Its main buyer is Japan. Additionally, the SCS is a crucial corridor for Malaysia's manufacturing sector to export its products, which account for a large proportion of its GDP. Malaysia is located further away from the most disputed territories and extracts most of its oil and gas from its direct offshore territories. As a result, it has been able to maintain stable relationships with the other claimants. This stability in relations might be threatened by its recent interest in the Luconia Shoal<sup>10</sup>, an area much closer to the hotly contested Spratly Islands. A potential conflict would result in a 10.72% welfare loss<sup>11</sup>, similar to the Philippines, ushering in disastrous results.

#### 3.5 Brunei

Brunei is by far the most dependent on oil extraction, as this is not only its main energy source, but also accounts for 60% of its GDP, and 90% percent of its exports<sup>12</sup>. Brunei follows a similar policy to Malaysia and uses diplomatic measures to ensure its ability to extract valuable energy resources.

The projected welfare loss for Brunei is not given in the study, but we could assume that it would be monumental considering the percentage of GDP and exports that natural resources extraction from the SCS encompasses.

## IV. International Diplomacy

There could be cause for optimism in early 2002 following the signing of the "Declaration on the Conduct of Parties", which set up guidelines for states to handle disputes, with a focus on the SCS and de escalation. However, its non-binding nature ultimately limited its effectiveness.

What followed this declaration was continued militarization and small scale clashes over territory and rights to exploit the economic resources of the SCS. These conflicts are best understood when we analyze them through each claimant's specific strategy and diplomatic efforts concerning the SCS.

#### 4.1 China's strategy

China's recent actions in the South China Sea are best analyzed through the lens of its long term strategy and objectives. These include, establishing dominance over South East Asia and holding influence over the entirety of the political landscape, diminishing US influence and

<sup>&</sup>lt;sup>8</sup> Khanh Vu, "<u>PetroVietnam 2022 crude oil output flat at 10.84 mln tonne</u>," *Reuters*, January 10, 2023

<sup>&</sup>lt;sup>9</sup> Uren, "Conflict in the South China Sea"

<sup>&</sup>lt;sup>10</sup> Ralph Jennings, "Why China's coast Guard spent 258 days in waters claimed by Malaysia," *Voice of America*, October 20, 2019

<sup>&</sup>lt;sup>11</sup> Uren, "Conflict in the South China Sea"

<sup>&</sup>lt;sup>12</sup> "Share of economic sectors in GDP in Brunei Darussalam 2022," Statista, modified October 6, 2023

countering its military presence in order to prevent any external intervention in what China considers their sphere of influence, and to establish control over the natural resources over the entirety of the SCS. "Not only is China undermining international law, but it is also seeking to expand the reach of its domestic law internationally.[...]The move directly serves China's larger purpose: to codify and impose its own rules and legal interpretations in order to reshape the regional order."<sup>13</sup>

In order to achieve these goals, China has various tools at its disposal, such as using its economic leverage, exerting its military power over key areas of the SCS, diplomatic approaches aimed at manipulating and dividing its opponents, and informational warfare. Its most effective strategies are employing its economic leverage and its diplomatic maneuverings.

Its economic leverage consists of its Foreign Aid Investments, its Belt and Road Initiative, its proposals for joint exploration of economic resources in the SCS, and its Trade Relations in which their partners have an overwhelming deficit against China. China uses these tools to force other claimants to adhere to its demands.

China is Vietnam's, Philippines, and Malaysias biggest trading partner and biggest source if foreign direct investment and takes advantage of this in order to impose

<sup>13</sup> Nguyen Thanh Trung, "China's Plan for the South China Sea: A mixture of pressure and legal approaches," Asia Maritime Transparency Initiative, July 7, 2021 pressure upon them. For example, as the Philippines a major recipient of Chinese FDI through the Belt and Road initiative, China has been able to exchange this economic support for the Philippines easing off on the 2016 tribunal ruling concerning the SCS, which favored Philippines claims and rejected Chinese claims.<sup>14</sup>

China has used this leverage and the tools at its disposal to establish bilateral deals with individual claimants. This allows them to take advantage of their power relative to the other small and medium sized opponents, and to skirt the authority of ASEAN, diminishing the potential for joint cooperation against Beijing, allowing China to strengthen its hold over the territories in its nine-dash line.

# 4.2 The Philippine's strategy

Following the election of Duerte, the Filipino government shifted its attitude toward China concerning the SCS, forming closer ties with Beijing. This earned the Philippines over \$24 billion in investment from China's Belt and Road Initiative and the promise of further investment<sup>15</sup>. Nonetheless, President Duerte simultaneously strengthened ties with the USA by signing defense equipment deals and receiving security assistance amounting to almost \$1 billion, displaying the complex geopolitical juggling occurring within the Philippines. <sup>16</sup>

Patrick M. Cronin and Ryan Neuhard, "China's Political Warfare Campaign in the South China Sea" Total Competition: China's Challenge in the South China Sea (2020): page number
 Ibid., page number 16-18

<sup>&</sup>lt;sup>16</sup> "U.S. Security Cooperation with the Philippines," United States Department of State, modified October 7, 2022

More recently, under President Marcos, the Philippines has taken a stricter stance, performing joint air and sea patrols with Australia and allowing American access to Filipino military bases and receiving \$7.5 million to bolster the strength of their maritime law enforcement along with many other bilateral agreements contained in the "FACT SHEET: Investing in the Special Friendship and Alliance Between the United States and the Philippines"<sup>17</sup>

# 4.3 Malaysia's strategy

Malaysia's strategy has consistently been one of caution. It attempts to avoid confrontation with China whilst maintaining its claims to the SCS. It has accepted various joint development programs and continued trade with China, which annually amounts to \$108.6 billion.

On the other hand, it has allowed for US military exercises, arms deals, and joint security cooperation. "The countries cooperate closely on security matters, including counterterrorism, maritime domain awareness, and regional stability, and participate frequently in bilateral and multilateral training, exercises, and visits." <sup>18</sup>

#### 4.4 Vietnam's strategy

Vietnam's strategy is by far the most confrontational and aggressive over the assertion of its territorial claims and sovereignty. It has spent vast sums on its navy, air force, and the modernization of its military in general, spending over

<sup>17</sup> "FACT SHEET: Investing in the special friendship and alliance between the United States and the Philippines," The White House, modified May 1, 2023

"U.S.\$5.8 billion in 2022 and projected to grow at an annual rate of 8.5% to U.S.\$8.5 billion by 2027, "mainly due to the country's plan to increase its defense capabilities to counter Chinese aggression in the South China Sea." In tandem with its military spending it has increased trade with the USA to \$90 billion in the hopes of reducing its reliance on China. Additionally, it has formed strong alliances with China's powerful neighbors such as Japan and India to balance against Beijing's potential incursions into Vietnamese territory.<sup>19</sup>

# 4.5 Brunei's strategy

Brunei's is far more reserved, due to its reliance on Chinese trade. "Brunei-China In 2021, Brunei exported \$2.27B to China.[...] During the last 26 years the exports of Brunei to China have increased at an annualized rate of 55.1%, from \$25.1k in 1995 to \$2.27B in 2021." <sup>20</sup>Brunei is keenly interested in maintaining its deals and joint ventures with Beijing and avoiding any potential statements or actions that might cause friction.

Brunei's strategy is one which prioritizes economic viability and growth through friendly dealings and cooperation and a prudent approach concerning its own and its neighbors' claims in the SCS.

#### 4.6 ASEAN's strategy

ASEAN has attempted to represent the common interests of all parties involved and solve the dispute through

<sup>&</sup>lt;sup>18</sup> <u>U.S. relations with Malaysia</u>," United States Department of State., modified April 20, 2022

<sup>&</sup>lt;sup>19</sup> B. R. Staff, "Vietnam mulls laws that may open the market to foreign arms firms," *Radio Free Asia*, January 24, 2023 <sup>20</sup> "China (CHN) and Brunei (BRN) Trade," The Observatory of Economic Complexity, last accessed December 10, 2023

multilateral dialogue and agreements, such as "Declaration on the Conduct of Parties in the South China Sea."<sup>21</sup>

Their attempts at maintaining regional balance and promoting cooperation have been challenged by Beijing's insistence of dealing bilaterally, weakening ASEAN's centrality therefore source power and of authority.Members frequently challenge consensus-building by inviting external powers such as the USA; others over-rely on Chinese trade and are therefore susceptible to manipulation, removing all bargaining power. Examples of ASEAN inability to provide a united stance are numerous, such as their 2012 Ministerial Meeting which failed to reach a consensus on the SCS dispute, and their 2016 failure to issue an assertion on the PCA's ruling indicating the influence of China on some member states. 22

This failure to act jointly stems in large part from Chinese influence over the members and the regional bloc. The few cases where ASEAN has been able to act decisively have come at times when states who mostly ardently oppose China have been at the head of the table, such as in 2010, when under the leadership of Vietnam, ASEAN managed to secure discussions on the SCS at the ARF. Nonetheless, ASEAN's importance can not be underestimated, as it will

be a major source of stabilization, economic integration, and regional order in the case of any potential resolution.

#### **V. Potential Resolutions**

In order to discuss possible policies aimed at resolving the South China Sea Conflict, we must first look back at previous attempted solutions to analyze their accomplishments and pitfalls.

One of the earliest attempts to resolve this conflict occurred in 1992. The "ASEAN Declaration on the South China Sea" aimed to promote peace and trust amongst the claimants of the SCS. However, due to it being non-binding it lacked any real authority or importance in the larger scheme. The same issue arises with the 2002 "Declaration on the Conduct of Parties in the South China Sea", which also ultimately failed due to it being non-binding. These 2 examples display the need for solutions to be binding and enforceable.<sup>23</sup>

Other attempts include various Joint Development and Bilateral Agreements, such as the 2011 agreement between China and Vietnam<sup>24</sup>. It aimed to establish basic dispute settlement principles, and manage specific aspects of the conflict. This agreement has had the effect of lowering tension between the two powers and promoting restraint. The issue concerning this agreement was its lack of applicability to other states which limited the scope and

<sup>&</sup>lt;sup>21</sup> Leszek Buszynski, "ASEAN, the Declaration on Conduct, and the South China Sea". Contemporary Southeast Asia 25, no. 3 (2003): 343–362.

<sup>&</sup>lt;sup>22</sup> Yang, Alan H. "<u>The South China Sea Arbitration and Its Implications for ASEAN Centrality</u>," in *Asian Yearbook of International Law*, ed. Seokwoo Lee, Hee Eun Lee, and Lowell Bautista (Brill, 2015), 83–95.

<sup>&</sup>lt;sup>23</sup> Severino, "<u>ASEAN</u>," 37–47.

<sup>&</sup>lt;sup>24</sup> Dennis McCormac, "<u>Vietnam's Relations with China: A</u> <u>Delicate Balancing Act</u>," *China Currents* 10, no. 2 (April 2023): page 1

therefore lacked enforcement outside of head on confrontation between China and Vietnam in the face of a violation to the agreements, which since have still occurred but at a reduced frequency.

An endeavor which faced the same issue was the "Arbitration under UNCLOS (Philippines vs. China, 2016)"25. This was a Filipino attempt at dismissing Chinese claims to the SCS using the principles established in the United Nations Convention on the Law of the Sea (UNCLOS). The tribunal's ruling favored the Philippines and invalidated Chinese claims. Despite this, Beijing dismissed the ruling entirely and reiterated their claims based on the nine-dash line. ASEAN's inability to issue a and other claimants' inaction further statement encouraged Chinese recklessness and indifference towards other claimants and their territorial sovereignty. In these 2 cases, we can spot another necessary component of a potential resolution, that being an agreement between all claimants and enforced by all claimants. Additionally, the policy issued must be issued by ASEAN or another regional institution or body that has a direct stake in the SCS dispute. In this way, all parties will be held accountable and have a vested interest in upholding the principles of the policy.

The main issues concerning potential policy that would need to be addressed include, the lack of enforcement mechanisms, conflicting national priorities, diverse interests, legal limitations, Chinese expansionism and influence over other claimants, and a lack of trust and transparency. With these challenges in mind, we will begin to discuss a potential policy based solution.

Firstly, this policy will have to be drawn up, issued, and agreed to by the claimants to the South China Sea. It will have to be legally binding and enforceable if a violation to its principles is committed. It will have to establish a clear code of conduct, emphasizing the demilitarization of the SCS and a reduction of military bases and forts along the disputed territories. It will have to enshrine principles of transparency and accountability for all signatories, regardless of power, especially concerning harmful practices that damage the claimants as a collective, such as environmentally harmful resource extraction. ASEAN will have to establish its own legal framework concerning freedom navigation, resource extraction, and territorial integrity, as China has made abundantly clear that it will not abide by existing laws, such as the Freedom of Navigation Operations act (FONOP) or other external rulings of matter concerning the SCS. "The disputes stem from different understanding and interpretations of the rules of contemporary international law of the sea. These divergences are rooted in the different perceptions of ocean values between China, a traditional continental country"26

<sup>&</sup>lt;sup>25</sup> Caitlin Campbell and Nargiza Salidjanova, "South China Sea arbitration ruling: What happened and what's next?," U.S.-CHINA | ECONOMIC and SECURITY REVIEW COMMISSION, November 17, 2023

<sup>&</sup>lt;sup>26</sup> Liu Xiaobo, "How China can resolve the FONOP deadlock in the South China Sea," Asia Maritime Transparency Initiative, March 1, 2019

Following this, the next step would be to establish Joint Resource Management and Extraction deals bilaterally between the claimants with territories in the closest proximity. These joint actions will have to be divided equally with regard to immediate reliance on the resource available. If these operations are undertaken in good faith and equitably, then they could be confidence building practices, with shared tools and information between partners. "The South China Sea disputes will only be settled when the bordering countries change their mindsets from one of sovereignty, sole ownership of resources and seeking "fences in the sea" to one of functional cooperation and cooperative management" <sup>27</sup>This will boost regional-interdependence such as the shared development and use of infrastructure for energy extraction and distribution and monitoring. Additionally, the path to this joint resource management has already been set out by UNCLOS, which all parties are signatories to. "It calls for establishing joint resource management areas and provides guidelines for doing so, even where conflicting territorial claims are unresolved.[...] Articles 116-119 provide for provisional agreements for joint resource management in disputed areas"28

Thirdly, there must be a platform for all members to air out their grievances, concerns, and opinions on any matters concerning the SCS. This platform must be dedicated to

<sup>27</sup> Sam Bateman, "<u>Managing the South China Sea: Sovereignty is</u> not the Issue," *RSIS*, September 29, 2011

continuous state to state dialogues in which intentions and needs could be expressed and ambiguity or doubt could be quickly resolved in order to reduce tensions. All perspectives and interests should be considered and no state's needs should take precedence over any other, encouraging inclusivity and balancing individual needs with regional and global stability.

In the case of potential conflict, ASEAN will have to create a specific body designated exclusively to Conflict Resolution. This body will need to be impervious to Chinese influence, and that of any other state. It will need to provide swift and effective judgements and enforceable rulings in accordance with the laws established by the aforementioned code of conduct. In order to achieve this, it will need to be composed of representatives of each signatory country, and additionally external bodies and states in order to counterbalance against bias and deliberate in the most objective manner.

This body, to be in any way effective, will have to be able to enforce its rulings, and would therefore have to be powered by a strong centralized ASEAN and backed by strong external forces, which will not only enforce the rulings through cooperative actions such as sanctions, but will also play a key part in monitoring and collecting data on the activities occurring in the SCS. This will be an international independent body that will be solely committed to monitoring individual states adherence to the guidelines set out in the code of conduct and assess the impacts of economic activities on the environment and the

<sup>&</sup>lt;sup>28</sup> David Rosenberg, "Beyond the Scarborough scare: joint resource management in the South China Sea," *E-International Relations*, May 11, 2012

claimants and propose policies to the body in charge Conflict Resolution, who will ultimately have the final words, maintaining SouthEast Asian authority over the SCS.

Specific issues arise with each part of this proposal. Concerning the code of conduct and laws concerning navigation in the SCS; it will be very difficult to create guidelines and laws that all claimants would be willing to agree to and abide by for the foreseeable future, especially concerning China. That is why the rules and regulations must be drawn up by the primary claimants and created with only their interests in mind. The proposals must be more beneficial to the signatories than continuing with the status quo, which will be a challenging task especially with respect to China.

This catering for China takes the form of the new guidelines which will emphasize South East Asian control over the SCS and will regulate the military presence of not only external powers such as the US, but of the claimants themselves in order to reduce tension. This pleases China's want to reduce the internalization of the conflict and eases the tensions for other claimants as a reduced Chinese military presence will calm their concerns of threats to territorial sovereignty.

Concerning the Joint Resource Management and Extraction, it will be difficult to equally distribute resources and extraction right considering economic dependence and immediate needs, as well as the

coordination of joint extraction considering claimants varying technological capabilities and extraction infrastructure. This is addressed with the platform for state dialogue which will allow for coordination and proper estimation of each states capabilities and differing needs in the SCS.

It is also necessary to consider that open dialogue does not equate to resolutions, as some needs can not be compromised on, and the possibility for a state to entrench itself in its position could hamper possibilities for actual progress and turn the platform into a place for rhetoric and empty platitudes. Additionally, similar international organizations, it will be difficult to balance against the more dominant states and their agendas, which could undermine the purpose of the platform despite principles of inclusivity and understanding. Which is a challenge ASEAN centrality will face, as in the past it has shown its tendency to fail to deliberate in the face of China. This issue would need to be addressed through the backing of powerful external actors including states and IO's, not only through the threat of sanctions and force in the case of inconstancy to the code of conduct, but also through the increase in trade with the claimants states, to reduce the reliance on China that has been pervasive throughout the history of the conflict. This reliance on external actors not only in enforcement of rulings but in the monitoring of the disputes and the collection of data poses issues concerning the reliability, interests of these actors, maintaining impartiality in these findings, and Chinese attitudes towards the intervention of international

actors. As we have previously seen with the recent PCA ruling, China does not respond well to international rulings and opinions on the South China Sea, as they see the dispute as solely concerning the claimant states. For this reason, these external actors will only be instructed to provide suggestions to ASEAN and its members, who will ultimately have the final say based on their own needs and concerns, maintaining South China Sea disputes strongly in the hands of the states of the South China Sea.

#### **VI. Conclusion**

The South China Sea dispute is a multifaceted conflict with intersecting interests, claims, strategies, and attitudes built on decades of militarization, dialogues, clashes, and attempts at peaceful resolution. This dispute and the actions undertaken by each claimant is underpinned by the importance and value of not only the trade that passes through the South China Sea but the resources that lay within it. Due to this importance, it is crucial that steps be taken to resolve this conflict and prevent the sparking of any large-scale confrontations, as a prolonged conflict would spell disaster not only for the coastal states who lay claim to it, but to the global trade and stability as a whole. In order to reach a resolution it is necessary to approach the issue with a wide lens that encompasses the needs and considerations of each and every claimant and is aware of state interdependence and power politics. The proposed solution attempts to address these issues, calling for the creation of a new set of maritime laws specific to the South China Sea that would please all the claimants. It would entail joint extraction and management of the vast

resources contained in the Sea and the shared use of extraction infrastructure and information to facilitate this process whilst maintaining a focus on each states reliance on the resources contained in these waters. A platform of open dialogue would open the door for multilateral solutions to problems before they get out of control and would allow for equal importance to be placed on the needs and concerns of each state. The creation of a body dedicated to conflict resolution presided over by various parties and stakeholders would allow for quick and fair resolution of issues and prevent dominance by a single state, which would bolster ASEAN centrality, an essential component in maintaining stability in the region. Despite the challenges facing the implementation of any of the recommendations or any other immediate policies, the principles outlined inside the suggestions and the previous attempts at resolutions; cooperation, transparency, and understanding are the ones that need to prevail if there is any hope of resolving the conflict.

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