

CHINA-US CONTESTATION IN SOUTH CHINA SEA (2009-2022): POLITICAL IMPLICATIONS FOR THE REGION

By

Ihtisham Ul Haq

A THESIS SUBMITTED IN PARTIAL FULFILMENT OF THE
REQUIREMENT FOR THE DEGREE OF

MASTER OF PHILOSOPHY

Department of International Relations

FACULTY OF SOCIAL SCIENCES



NATIONAL UNIVERSITY OF MODERN LANGUAGES, ISLAMABAD
September, 2025



THESIS/DISSERTATION AND DEFENCE APPROVAL FORM

The undersigned certify that they have read the following thesis, examined the defense, are satisfied with the overall exam performance, and recommend the thesis to the Faculty of Social Sciences for acceptance.

Thesis/ Dissertation Title: **China-US Contestation in South China Sea (2009-2022): Political**

Implications for the Region

Submitted by: Ihtisham Ul Haq

Registration #: NUML-F21-23175

Masters of Philosophy

In International Relations

International Relations

Discipline

Dr. Maliha Zeba Khan

Research Supervisor

Signature of Research Supervisor

Prof. Dr. Sarwat Rauf

HOD (IR)

Signature of HOD (IR)

Dean (FSS)

Signature of Dean (FSS)

Director General NUML

Signature of DG

CANDIDATE DECLARATION FORM

I, **Ihtisham Ul Haq**

Son of Hameed Ud Din

Registration # NUML-F21-23175

Discipline of International Relations

Candidate of **Masters of Philosophy** at the National University of Modern Languages do hereby declare that the thesis: **China-US Contestation in South China Sea (2009-2022): Political Implications for the Region** submitted by me in partial fulfillment of MPhil degree, is my original work, and has not been submitted or published earlier. I also solemnly declare that it shall not, in future, be submitted by me for obtaining any other degree from this or any other university or institution.

I also understand that if evidence of plagiarism is found in my thesis dissertation at any stage, even after the award of degree, the work may be cancelled and the degree revoked.

Signature of Candidate

Dated

Ihtisham Ul Haq

Name of Candidate

DEDICATION

I dedicated this thesis to my family who have been my constant source of love and encouragement throughout my academic pursuits. Their unwavering support and belief in me have kept me motivated during the most challenging times.

ACKNOWLEDGEMENT

I am thankful to Allah Almighty who gave me wisdom bestowed me the sense of judgment to finalize the research work. Special appreciation goes to my supervisor, **Dr. Maliha Zeba Khan** for her supervision, patience, sound judgment and constant support. Her invaluable help of direction contributed to the success of this research.

Last but not least, my deepest gratefulness goes to **Miss Laraib Ali** for her constant support, and best wishes to those who indirectly contributed in this research.

Ihtisham Ul Haq

Table of Contents

Contents	Pages
THESIS/DISSERTATION AND DEFENCE APPROVAL FORM	i
CANDIDATE DECLARATION FORM	ii
DEDICATION	iii
ACKNOWLEDGEMENT.....	iv
Table of Contents	v
List of Tables	viii
List of Maps.....	ix
List of Abbreviations	x
Abstract.....	xi
INTRODUCTION.....	1
Problem Statement.....	3
Objectives of the Study.....	4
Research Questions.....	4
Literature Review	4
Research Gap	14
Core Argument	14
Theoretical Framework.....	14
Research Methodology	16
Significance of the Study	17
Delimitations.....	18
Organizational Structure	18
CHAPTER ONE	20
HISTORY OF THE SOUTH CHINA SEA DISPUTE.....	20
1.1 SCS Prior to the Era of National Sovereignty	20
1.2 European Colonizers and China.....	22
1.3 The Coming of Japan.....	24
1.4 Franco-Chinese Rivalry.....	25
1.5 Decolonization Period and Cold War.....	27
1.6 Oil Resources and Maritime Law.....	29
1.7 Isolation of Vietnam.....	30
1.8 ASEAN against China	32
1.9 Conclusion	33
CHAPTER TWO	35

CHINA’S POLITICAL AND STRATEGIC MOVES TOWARDS SOUTH CHINA SEA DISPUTE	35
2.1 Evolution of China’s SCS Policy	35
2.1.1 Maritime and Continental Balancing Act.....	36
2.1.2 Surveillance and Tracking Capabilities.....	36
2.1.3 China’s Dual Strategic Approach.....	37
2.1.4 Strategic Perceptions	37
2.1.5 Management of Freedom of Navigation Activities.....	37
2.1.6 Perspectives of Chinese FP Elites on the SCS Dispute	38
2.2 China’s contemporary approach within the SCSR.....	38
2.2.1 The Diplomatic Component	39
2.2.2 Administrative Actions	40
2.2.3 Fishing Regulation and Enforcement.....	41
2.2.4 Hydrocarbon Exploration	42
2.2.5 Military Component	43
2.3 Managing Tensions and Diplomatic Shifts (Since 2009).....	45
2.4 China’s Multi-faceted Strategy in SCS	47
2.5 China’s Economic Leverage in SCS Disputes.....	49
2.6 China’s Strategic Tactics in the SCS	50
2.7 The U.S Congress’ assessment of China’s strategy concerning the SCS.....	51
2.7.1 Salami-Slicing strategy and the tactical approach of Gray Zone Operations..	52
2.7.2 Base Construction and Island Building	53
2.7.3 The recently implemented maritime legislation that came into force on September 1, 2021.	53
2.7.4 Additional measures that have escalated apprehensions	54
2.7.5 China’s Expansion Policy in the SCS as Perceived by Scholars from India	55
2.8 China’s Strategic Outlook	58
2.9 Enhancing Coordination among Maritime Actors in China’s SCS under Xi Jinping’s Administration.....	59
2.10 Conclusion.....	61
CHAPTER 3.....	62
U.S’ INTERESTS IN THE SOUTH CHINA SEA REGION.....	62
3.1 U.S’ Interests in the SCSR, as per Understanding of U.S’ Grand Strategy.....	62
3.1.1 The Security of U.S’ Treaty Allies and Partners.....	63
3.1.2 The Regional Rules-Based Order	64
3.1.3 SCS Islands and Military Bases.....	65
3.2 Analysis of U.S Interests and Strategic Considerations in the SCSR.....	66

3.2.1	U.S Regional Allies, Security Architecture, and Implications of Chinese Dominance in the SCS	66
3.2.2	Principle of Non-Use of Force	67
3.2.3	Principle of Freedom of the Seas	68
3.2.4	Trade Routes and Hydrocarbons	70
3.3	Role of Freedom of Navigation in U.S FP	70
3.4	Threats to U.S Interests Emanating from China’s Policies in the SCSR	72
3.5	U.S -China Relations in the SCS: Navigating Complexities in Territorial Claims, Military Exercises, and Rule-Based Stability	73
3.6	Rule-Based Stability in the SCS: Obama Administration	75
3.7	U.S’ Military Dynamics in the SCSR.....	76
3.8	U.S FP Shifts in the SCSR	78
3.9	Conclusion.....	83
CHAPTER FOUR.....		84
POLITICAL IMPLICATIONS OF CHINA-U.S POWER DYNAMICS IN THE SOUTH CHINA SEA REGION		84
4.1	Power Politics Incidents in SCSR (2009-2022).....	84
4.1.1	The 2012 Scarborough Shoal Incident	87
4.1.2	Major Strategic Events in the SCS, 2009–2012.....	88
4.1.3	2013–2015: Legal and Military Confrontation.....	89
4.1.4	2016: SCS Arbitral Award	91
4.1.5	Major Strategic Events in the SCS, 2013–2016.....	94
4.1.6	Search for a New Equilibrium (2017–2020)	96
4.1.7	Major Strategic Events in the SCS, 2017–2020	103
4.2	US Policies towards SCSR Since 2009	105
4.2.1	Barack Obama Administration	107
4.2.2	D.J. Trump Administration	108
4.2.3	Joe Biden Administration.....	109
4.3	Political Implications of China-US Contestation for the SCSR	109
4.3.1	Navigating Great-Power Competition: Hedging in South China Sea Regional Policies	113
4.3.2	Policy Recommendations for the U.S and China	117
4.3.3	China-US Contestation and Indonesia.....	118
4.3.4	China-US Contestation and Malaysia.....	125
4.3.5	China-US Contestation and Philippines	131
4.3.6	China-US Contestation and Cambodia.....	136
4.3.7	China-US Contestation and Vietnam.....	141

4.3.8	China-US Contestation and Brunei.....	146
4.3.9	China-US Contestation and Singapore	150
4.4	Conclusion.....	157
CHAPTER FIVE		158
POTENTIAL FUTURE SCENARIOS FOR THE SOUTH CHINA SEA REGION		158
5.1	Continued Militarization and Rising Tensions.....	158
5.1.1	Potential for Military Clashes.....	160
5.1.2	Three Sources of Friction.....	161
5.1.3	Geopolitical Implications.....	164
5.2	Peaceful Resolution through Diplomacy	166
5.2.1	The Evolution of Regional Cooperation in the Asia-Pacific.....	167
5.2.2	The Shift from Asia-Pacific to Indo-Pacific.....	167
5.2.3	Challenges to U.S –China–Southeast Asia Cooperation.....	168
5.2.4	Opportunities to U.S –China–Southeast Asia Cooperation	169
5.2.5	Implications	170
5.3	Status Quo with Ongoing Disputes	170
5.4	Key considerations for the future of U.S -China-Southeast Asia relations	171
5.5	Conclusion.....	171
CONCLUSION, FINDINGS, AND RECOMMENDATIONS.....		173
BIBLIOGRAPHY		178

List of Tables

Table 1: Key Takeaways of Hedging Approaches by South China Sea States.....	117
Table 2: Multifactor Assessment of South China Sea States’ Foreign Policy Strategies...	148
Table 3: Strategic Risk Levels and Policy Notes of South China Sea Countries.....	157

List of Maps

Map 1: Sovereignty Claims in the South China Sea	xii
--	-----

List of Abbreviations

9-DL or 9-Dash Line	China's Nine-Dash Line claim
ADIZ	Air Defense Identification Zone
ASEAN	Association of Southeast Asian Nations

COC	Code of Conduct (in the South China Sea)
DOC	Declaration on the Conduct of Parties in the South China Sea
EEZ	Exclusive Economic Zone
FONOPs	Freedom of Navigation Operations
HYSY 981	Haiyang Shiyou 981 (Chinese oil rig involved in disputes)
ICJ	International Court of Justice
Nansha Islands	Chinese name for the Spratly Islands
PCA	Permanent Court of Arbitration
PRC	People's Republic of China
ROC	Republic of China (Taiwan)
SCS	South China Sea
UNCLOS	United Nations Convention on the Law of the Sea
US	United States
VN or SRV	Socialist Republic of Vietnam
Xisha Islands	Chinese name for the Paracel Island

Abstract

The South China Sea (SCS) is a vital maritime region rich in fisheries and hydrocarbon reserves, estimated at 105 billion barrels, earning it the nickname ‘Second Persian Gulf.’ Strategically positioned, it connects the Pacific and Indian Oceans via key straits like Malacca and Lombok, serving as a major global trade and energy hub. Over half of the world’s shipping fleet traverses its waters, exceeding the Suez Canal’s traffic threefold and the Panama Canal’s fifteenfold, highlighting its strategic

importance. This study examines China's role in the SCS from 2009 to 2022, focusing on its territorial claims, military build-up, and geopolitical strategies, alongside U.S. interests and grounds for contestation. It explores power dynamics between the two nations and their impact on regional stability. Using document analysis of official statements, policies, and agreements, the study identifies recurring patterns and strategic shifts. Findings suggest the U.S. aims to maintain global dominance and regional presence, while China views external interventions as threats to its sovereignty. Southeast Asian states respond differently to the rivalry; some avoid antagonizing China due to economic ties, others align with the U.S., and some push for regional cooperation to reduce external influence. The SCS remains a focal point of global tensions, with sovereignty disputes and maritime jurisdiction conflicts intensifying U.S.-China competition, forcing regional players like Indonesia, Malaysia, the Philippines, and Cambodia to navigate a delicate balancing act.

Figure 1. Sovereignty Claims in the South China Sea



U.S. Department of State. “Maps of Overlapping Boundary Claims in the South China Sea”. Washington: Central Intelligence Agency, 2012. Map

INTRODUCTION

South China Sea (SCS) stands as a primary marginal sea globally due to its extensive fishing resources and hydrocarbon reserves of 105 billion barrels earning it the name ‘Second Persian Gulf’¹. Through its strategic position at sea the area links Pacific and Indian Ocean ports by using strategic waterways including the Strait of Malacca and Lombok Strait. This busy maritime transit zone welcomes more than half of the international shipping fleet that traverses its waters annually. Global trade and energy transportation depend on the SCS because more than three times the volume of traffic flows through it than through the Suez Canal and fifteen times more than through the Panama Canal.

Geopolitical relations in the SCS are mainly focused on national sovereignty claims. The SCS border region comprises China, Vietnam, the Philippines, Malaysia, Brunei and Indonesia countries which maintain conflicting territorial interests in its waters and islands. China’s ‘nine-dash line’ dominates SCS territorial conflicts since it overlaps with significant areas belonging to neighboring maritime states. The vital archipelagos of Pratas Islands and Paracels and Macclesfield Bank as well as Spratlys form part of this region. The Scarborough Shoal within the Macclesfield Bank creates a dispute between China and the Philippines while the Paracels are contested between China and Vietnam. The complicated regional dynamics are intensified by five claimants from countries and parties who assert claims over the Spratly Islands.²

These territorial disputes reached their peak when the Permanent Court of Arbitration under the UNCLOS issued its ruling in July 2016.³ China’s claims regarding the nine-dash line found dismissal in the tribunal which accepted the Philippines’ position. China maintained its stance against the tribunal’s authority even while it signed UNCLOS thereby raising denial of jurisdiction in the contested region. These sovereignty claims have received no direct American position since the U.S chose to support ASEAN member states in disputes (such as the Philippines, Vietnam and Malaysia). The U.S

¹ Su Hao, ‘Treasures in South China Sea’, *China Economic Weekly*, Issue 12, 2012.

https://www.swp-berlin.org/publications/products/projekt_papiere/BCAS2013_Su_Hao.pdf

² Valencia. Mark J., ‘Oil and Gas Potential, Overlapping Claims, and Political Relations’ in *George Kent and mark J. Valencia (eds.), Marine Policy in Southeast Asia*, University of California Press, Berkeley, 1985, p.159.

³ Ekrem Korkut Woo Hyun Kang, ‘China's Nine Dash Line Claim in Light of the Ruling by the Permanent Court of Arbitration (12 July 2016),’ *Penn State Journal of Law & International Affairs* 5, no. 2 (Jun 2017): 426-463 <https://elibrary.law.psu.edu/jlia/vol5/iss2/8>

confirmed through formal declaration that Chinese maritime claims are unlawful following the ruling made by UNCLOS in 2016. The restrictions enacted by the U.S against Chinese companies involved in island and military facility construction projects in disputed waters.⁴

China establish strategic positions in the SCS through its maritime activities to control key energy resources essential for future energy security protection alongside military enhancement goals. The area serves two significant roles by protecting southern China territorially and serving as an operational base for military forces. China has evolved its defense plan from coastal defense to offshore defense through which it can extend control across disputed maritime spaces over the past few decades. More than 3,000 acres of the Chinese artificial islands have become operational military bases with three fully militarized facilities constructed on them. Through these developments China gains the capability to uphold its territorial demands and battle against both local and international adversaries specifically the United States.⁵

America's response toward China's actions has two main objectives: defense of maritime freedom and advancement of its strategic purposes. Under international legal terms which the U.S understands civilian and military vessels possess rights for unrestricted navigation through EEZs. China prohibits military activities within the EEZ territories which it claims for itself. FONOPs by the U.S stand as a policy of support against Chinese spatial limitations since the failure to counter Chinese practices in the SCS could generate further effects across other domains. The restriction of U.S naval freedom to operate in extensive economic zones would diminish U.S global power projection capability specifically affecting critical regions such as the Western Pacific and Persian Gulf and the Mediterranean Sea. The U.S would need a major revision of its military strategy combined with revised FP goals which would reduce its ability to handle worldwide and regional threats effectively.⁶

The competitive standoff between the U.S and China in the SCS has intensified the risk that the region will experience military build-up and armed conflict. U.S FONOP

⁴ M. Taylor frivol 'China's Strategy in the South China Sea,' *Contemporary Southeast Asia* 33 (2011): 299 doi: 10.1355/cs33-3b © 2011 ISEAS.

⁵ Robert D. Kaplan, 'Why the South China Sea is so crucial,' *Business Insider Australia*, February 20, 2015, <http://www.businessinsider.com.au/why-the-South-China-Sea-is-so-crucil-2015>.

⁶ US ministry of defence 'The South China Sea is an important world energy trade route,' *US Energy Information Administration*, April 4, 2013, <http://www.eia.gov/todayinenergy/detail.cfm?id=2010671>.

operations together with confrontational Chinese reactions have elevated the chance of violent conflict taking hold. Regional states including Vietnam along with Philippines and Malaysia and Indonesia maintain efforts to preserve their sovereignty as they manage the situations brought In 2020, under the leadership of ASEAN member states, the United Nations Convention on the Law of the Sea (UNCLOS) was reaffirmed as the fundamental legal framework for conflict resolution in the South China Sea (SCS), emphasizing the importance of diplomatic approaches.⁷ However, growing diplomatic tensions between the United States and China pose significant challenges to regional states, which seek to preserve neutrality and maintain stability amidst intensifying rivalry.

Control over the SCS is strategically vital, as it confers considerable influence over global trade routes and power distribution. China's pursuit of dominance in the South China Sea region (SCSR) is driven by its desire to secure critical energy resources and assert regional hegemony. The United States, in contrast, seeks to preserve freedom of navigation and curb Chinese expansion in order to sustain its strategic leadership across the Indo-Pacific and beyond. North Indochina emerges as a pivotal geostrategic zone where great power competition is likely to shape global political alignments in the 21st century. The escalating U.S.-China rivalry in the SCS continues to generate tension, with the potential to reshape the broader international order.

Problem Statement

China's maritime doctrine and its "two-ocean strategy" necessitate the modernization of the People's Liberation Army Navy (PLAN) and envision a dominant Chinese presence in the SCS. Since 2009, China has accelerated naval modernization and expanded its maritime footprint by constructing several artificial islands—at least three of which have been fully militarized. These actions are strategically aimed at reinforcing China's territorial claims against other claimant states within ASEAN, including the Philippines, Vietnam, Malaysia, Brunei, and Indonesia.

The United States views the prospect of Chinese control over the SCS as a direct challenge to its strategic interests. China contests both the U.S. role in the region and its broad interpretation of Freedom of Navigation Operations (FONOPs), advocating

⁷ Office of the Secretary of Defense, 'Military Power of the People's Republic of China,' Annual Report to Congress, *Office of the Secretary of Defense, Washington DC*, 2008: 23.

instead for a narrower definition aligned with its national interests. A diminished U.S. position in the SCS could have far-reaching implications for its global influence. In response, the U.S. has repositioned military assets, intensified defense cooperation with ASEAN claimant states, and increased the frequency of FONOPs to counter China's assertiveness. Consequently, the SCS has become a focal point of strategic rivalry between the two powers.

At present, U.S.-China contestation in the SCSR constitutes a critical issue in international politics. Both powers exert considerable influence over the foreign policy orientations of regional states, reshaping bilateral and multilateral alignments. This evolving dynamic has significant security and political ramifications for regional stability. Moreover, due to its mutual defense treaty with the Philippines, the United States faces the risk of potential military escalation with China in the region.

Objectives of the Study

- To study the role of China in SCS from 2009 to 2022.
- To determine interests of the US for ascertaining ground of contestation between China and the US in SCSR.
- To study power politics between the two actors and its political implications for the region.

Research Questions

1. What political and strategic actions has China undertaken in the context of the South China Sea dispute since 2009?
2. Why have the strategic interests of the United States led to its contestation with China in the South China Sea region (SCSR)?
3. How is power politics unfolding between the United States and China in the South China Sea, and what are its political implications for the region?

Literature Review

A solid research investigation requires extensive literature assessment as its fundamental base for building new inquiries. Through this process researchers can attain detailed comprehension of previous studies to ensure their work relates properly within the academic community. Through evaluation of past works researchers gain both present knowledge understanding and discover open questions needing additional

research. The researcher uses diverse resources including academic literature, publications, websites and reports to establish an all-encompassing theoretical framework for their study. A reference list contains all citations of used works that establish the academic heritage of research.

Previous scholarly works, organized thematically, identify five core elements that form the basis of this research review. The first concerns theoretical frameworks, while the second traces the historical trajectory of the South China Sea (SCS) dispute. Subsequent sections analyze China's contemporary engagement and the United States' strategic role as distinct yet interrelated dimensions. The final section investigates how the ongoing China–U.S. rivalry in the SCS shapes national political trajectories within the region. This organizational structure facilitates a systematic and integrated analysis of the issue's multifaceted dimensions.

The historical development of the SCS dispute reflects evolving patterns of external and regional engagement, ultimately culminating in the complex sovereignty claims observed today. Initial assertions of territorial control were characterized by vague and fluid boundaries, encompassing traditional maritime routes, resource extraction practices, and references in historical documentation. Early interactions among regional actors did not lead to sustained administrative authority, as modern conceptions of sovereignty require demonstrable and continuous governance.

The advent of European colonialism introduced formal legal and political institutions that redefined territorial boundaries and delineated the distinction between terrestrial and maritime domains. The segmentation of Southeast Asia into colonial territories—accompanied by the imposition of Western legal principles concerning territorial sovereignty and maritime jurisdiction—laid the foundations for the protracted disputes that persist in the contemporary era. Japan's rise as a regional power further militarized the SCS, employing the region to reinforce the strategic value of its island territories.

Following World War II, the geopolitical vacuum enabled newly independent Asian states to assert sovereignty claims. In 1947, the Republic of China introduced the U-shaped line map, which has since become a central reference in contemporary territorial debates. Concurrently, former colonial powers such as France sought to reestablish influence in the region. The subsequent transfer of authority from colonial

administrations to domestic governments during the Cold War period institutionalized and intensified competing claims among regional actors.

At present, the legal and political foundations of the SCS disputes remain deeply rooted in historical processes originating in the 19th century and extending through the mid-20th century. The interplay of geopolitical competition, unresolved historical grievances, and the enduring impact of colonial-era territorial arrangements ensures that the South China Sea continues to serve as a critical locus of global strategic contestation.

Previous studies classified according to thematic arrangements show five main elements as the core insights for this research review. The first set of elements relates to research theory while the second group examines the evolution of the SCS dispute. The study evaluates China's present involvement and the United States' regional role as separate subjects. The concluding section examines how the present-China U.S. dispute in the SCS affects national political outcomes. Such organization enables researchers to discuss each specific area in one unified manner.

Over time the history of the SCS dispute developed due to changing patterns of external and regional cooperation which led to today's sovereignty disputes. Territorial claims at their beginning stage had ill-defined boundaries that incorporated traditional voyage ways along with resource acquisition operations and sporadic findings in historical writings. The initial contacts between powers in this region did not result in sustained administrative rule since current sovereignty standards need continuous governance.

European colonization added legal and political systems which redesigned territorial lines and established the separation between land and sea properties. The partitioning of Southeast Asia into colonial territories combined with Western laws of territorial sovereignty and maritime control interests led to present-day enduring conflicts in the region. When Japan achieved regional power status it turned the SCS into a militarized zone through which it strengthened the strategic position of its islands.

During the middle of the twentieth century independent Asian states gained the opportunity to advance sovereignty claims because of a post-war power gap. The ROC introduced the U-shaped line map in 1947 as a blueprint for current territorial disputes alongside French and other colonial forces who attempted to restore their regional authority. Political power transferred from colonial regimes to local regional

governments during the Cold War period produced hardened territorial disputes between rival forces.

SCS disputes maintain their legal and political foundations rooted in the historical developments starting in the 19th century that carried through the mid-twentieth century. Geopolitical interests together with historical disputes and long-lasting effects of colonial expansion ensure the SCS remains a central focus of worldwide strategic conflicts.

The SCS territorial confrontations between 1945 and 1980 formed through the interaction of end-of-empire changes along with the geopolitical competition of the Cold War era and the need for resources. Exterior interference along with the growing intensity of petroleum exploration and changing maritime regulations made it harder for Vietnam and the Philippines to defend their territorial claims in the SCS. The deployment of Chinese military forces through occupation created an escalation of power competition across the region. The 1990s proved to be a period of both cooperation and conflicts in ASEAN-China relations because diplomatic efforts produced short-lived agreements yet left fundamental issues unresolved. The security problem along with territorial disputes over resources resulted in a central location for geostrategic confrontations in the SCS.

The policy of China in the SCS since 2009 has been built upon economic growth and controlled escalation and strategic protection during the Xi Jinping era. Through its two-level method China deals with local threats and pushes the U.S aside while maintaining absolute control over national boundaries. China implements this approach through artificial island development alongside military structure development and underwater detection devices and satellite observation systems. Through diplomatic means China postpones open resistance by issuing public proclamations to enhance its territorial Assertions. The administrative approach grants China expanded authority to manage fishing activities along with hydrocarbon exploration activities which frequently produce territorial disputes. Tensions between China and other countries have grown but Beijing continues its moderate actions primarily to retain its regional influence and impede American interference in the Pacific. This method implements an equal mix of consolidating control over disputed territory while also working to handle disputes that emerge.

East Asian commitments stand vital for U.S security and prosperity because they ensure the safety of its allies. Different analysts interpret Taiwan's importance differently since some consider it an ideological issue which others view as an essential interest for U.S regional credibility. Military experts evaluate U.S wartime capabilities to preserve SCS stability since this region serves as a defensive area for Taiwan and the Philippines.

The Spratly Islands matter to the U.S only because they allow access to vital SCS resources that sustain both Vietnam and the Philippines in their energy and fishing sectors. Military installations China constructed in the Spratlys would have minimal impact on US strategic positions in the region according to current appraisal models.

The strategic value coupled with natural resources has transformed the SCS into a central point of international conflicts and regional political unrest throughout many years. These territorial disputes already caused increasing tensions between rival countries while outside countries like China and the US have increased diplomatic pressure on the situation. People from weaker states in Southeast Asia have adopted varied approaches to manage these disagreements. Different Southeast Asian states have chosen separate strategies regarding their plans against Chinese territorial claims which include either actively joining China for protection or building alliances with the U.S. to obtain outside help while another approach focuses on enhancing alliances between Asian states to neutralize Chinese and American power elements.

As the interest shown to ASEAN from the US far exceeds political attraction of other regional member states the US has been acting in the East Asia Summit and ASEAN States decision making. This comes from the profound ability of America as a continental player in Asia — with bilateral agreements enhancing American interests and influence as a power. And the US economy constitutes nearly 36% of the global economy, while its Asia national interests include 'projecting values' (such as democracy and human rights) alongside influence. But coercive imposition of these values would run against traditional Asian culture and political systems. Change that is societally relevant, however, needs to spring from below, not be imposed from above, and a dependency on the economic and political might of the USA comes at the cost of the sovereignty of weak states like Cambodia.

In 2014, tensions flared as China clashed with both Vietnam and the Philippines over territory. Efforts by ASEAN to handle the scenario by means of joint statements and

diplomatic initiatives were stymied by China's refusal to engage in arbitration and its demand for assertive activity in the SCS.

China's continued land reclamation efforts and militarization of disputed features raised regional apprehension during this period, with ASEAN expressing serious concern and calling for a show of restraint. U.S FONOPs in the SCS to contest Chinese maritime claims increased tensions further.

In 2015, the SCS problems was the focus of diplomatic efforts at various ASEAN-led forum but member states were concerned over rising tensions related to that issue. Even in the ASEAN-China FMs' Meeting, differing perspectives on the COC negotiations exhibited ASEAN's attempts to maintain a consensus amidst China's assertiveness.

Despite these diplomatic engagements and international pressure, such as US-China dialogues and (FONOPs), tensions in the SCS remained high and there were no meaningful steps toward resolution of the disputes.

M. Taylor Fravel's analysis highlights China's broad claims to the SCS, a position that has led to considerable tensions with neighboring countries like Brunei, Indonesia, Malaysia, the Philippines, Taiwan and Vietnam. Beginning in the 1970s, these countries⁶⁰outlined territorial claims to numerous island groups and maritime regions in the SCS—most notably⁰⁷⁸the Spratly Islands, which are replete⁶⁰⁷with natural resources and fertile fishing grounds. Over the decades, these resources have generated international interest as well, and oil companies from the US, UK, Netherlands, and India have been invited to explore and exploit them in joint ventures. This growing competition for resources has increased geopolitical tension in the region, and exacerbated existing rivalries.⁸

The territorial disputes between China and other Asian nations evolve beyond simple diplomatic exchanges because violent naval incidents have occurred at sea according to Fravel. Prior sea confrontations between different groups of military personnel and law enforcement officers together with civilian organizations such as militias and fishermen and indigenous groups have ended in physical clashes where boats were rammed and vessels bombarded with water cannons and boats were actually sunk. The complicated nature of the ECS conflict combines military and cybersecurity threats

⁸ Yoshihara, Toshi, '[The 1974 Paracels Sea Battle: A Campaign Appraisal,](#)' *Naval War College Review* (2016) : 54.

against aerial intimidation to create a complex geopolitical dispute. Besides the competing claimants the growing Chinese military operations and non-military power asserts Beijing as the regional main actor but adds difficulties to relations with its neighboring countries.⁹

China supports its territorial positions using the ‘nine-dash line’ that originally appeared through the Kuomintang government’s 1947 map that featured an eleven-dash line. Following the PRC takeover the nine-dash line shortened from its original eleven-dashed version. The Chinese authorities maintained their military-strategic power to control the region after they seized the Paracel Islands (1974) and fought with Vietnam over the Johnson Reef (1988) and occupied the Mischief Reef (1994). The actions have triggered heightened conflict with Philippines and Vietnam and the other Southeast Asian nations.

The SCS has become more unstable since 2011 because China began implementing military assets across the region. China established its military presence in the area through constructions of runways and antenna towers across various islands to solidify its territorial dominance. The 2021 appearance of 220 vessels near the Whitsun Reef within the Philippine EEZ caused significant tensions although it highlighted China’s regional expansionist plans.

The strategic U.S participation in the SCS stems from diplomatic evaluation of costs versus benefits against Chinese regional dominance expansion. U. Multiple national security goals guide the U.S policy toward the SCS through maintaining regional balance of power together with upholding maritime law and stopping China from achieving regional supremacy. International maritime law and peaceful settlement of disputes coupled with no-force policies receive support from the U.S position. The strategic objectives form part of the U.S competitive plan to confront CCP power in military domains and economic domains and diplomatic domains as Tellis explains.¹⁰

Based on the U.S Department of Defense these represent the three main strategic goals toward the SCS: slowing down Chinese expansion of military facilities and stopping new island creation while guaranteeing maritime boundaries stay within international norms. The primary objective of the U.S strategy involves stopping China from

⁹ Samuels, Marwyn, ‘Contest for the South China Sea,’ *London Routledge*, (2013): 60

¹⁰ Ashley J. Tellis, ‘The Return of US-China Strategic Competition,’ *Strategic Asia*, 2020.

establishing its own air defense identification zones (ADIZ) across the SCS as well as preventing China from creating straight baselines which would modify maritime feature legal boundaries. The United States advocates China's adoption of the Permanent Court of Arbitration's 2016 judgment that denies China's nine-dash line claims filed by the Philippines.¹¹

Jihyun Kim investigates the systematic strategy China uses to protect its maritime claims in the SCS. Through its whole-of-government strategy China implements statecraft and economic control in addition to military and law enforcement and civilian tools explained Kim, China implements a long-term plan that combines financial investment with long-term patience along with the ability to bear reputational risks. China produces a multiple-pronged strategy for the SCS to build enduring strategic positions because flexibility and variety lead to perceived success in the area. The government has adopted dual strategies to build military strength and create economic partnerships with regional nations and establish political diplomatic relations.

FONOPs operate as a U.S countermeasure against China's territorial objectives through direct challenges of Beijing's territorial boundaries. FONOPs serve as repetitive statements of maritime freedom yet analysts argue their limited effectiveness fails to stop China from expanding through island building and militarization of the area. These aggressive actions from Beijing create anxiety for American allies in Asia who fear serious direct confrontations may arise based on how the U.S conducts itself.

The political and security implications of the China U.S contestation of the SCS. The Philippines along with other nations rely on U.S support through defense pacts but American forces are now seen as both protective and contentious. Intensified military actions in the region create conditions leading to a potential weapons race that will lead both powers to increase their military capabilities across the area. Growing Chinese militarization and expanding influence is thought to continue harming relations between China at home and China and the U.S relationship by potentially endangering regional stability.¹²

¹¹ Jihyun Kim, 'Territorial Disputes in the South China Sea Implications for Security in Asia and Beyond,' *Strategic Studies Quarterly*, Summer 2015.

https://www.airuniversity.af.edu/Portals/10/SSQ/documents/Volume-09_Issue-2/kim.pdf

¹² Mohammad Tehseen. 'Sino-US Competition: Implications for South Asia and the Asia-Pacific' *Strategic Studies* 37 2017: 4 <https://www.jstor.org/stable/48537569>

The U.S advances its position in the SCS through an impactful global initiative to spread American democratic values together with human rights and accountability measures. The implementation of this strategy disrupts essential territorial authority while modifying political structures of regional nations of the area. Events such as U.S military deployments force local states to adopt economic structures that emulate American political principles while potentially reducing their self-governing powers through certain mechanisms. The United States' involvement in Southeast Asia presents dual opportunities for economic improvement but establishes conditions that could threaten a country's independence and sovereignty. The regional states face an acute challenge to maintain proper equilibrium when two powerful nations with differing foreign interests exert influence over their economic development.

This research review examines the theoretical roots and historical context and modern conflicts of the dispute by focusing on both sides' leading players in China and the United States. Regionally based security partnerships and sovereignty maintenance and economic stability shift according to the diplomatic and military competition between the U.S and China. Geopolitical conflicts transform with extreme speed throughout each hour so every involved party needs to perform their best capabilities to minimize tensions before resolving the ongoing dispute.

The intensifying strategic competition between the United States and China in the South China Sea between 2009 and 2022 has generated extensive scholarly analysis, broadly categorized into five interconnected themes:

Power Transition Theory & Strategic Frameworks: Scholarship frequently employs Power Transition Theory to contextualize the rivalry, framing SCS tensions as a manifestation of systemic friction between a rising China seeking to displace US regional hegemony¹³. Complementary analyses explore China's development of Anti-Access/Area Denial (A2/AD) capabilities and the US response through concepts like the "Free and Open Indo-Pacific" (FOIP) and minilateral security initiatives, highlighting the evolving military-strategic doctrines underpinning the competition.¹⁴

¹³ A. F. K. Organski, *World Politics* (New York: Alfred A. Knopf, 1958), 122–145; Graham Allison, *Destined for War: Can America and China Escape Thucydides's Trap?* (Boston: Houghton Mifflin Harcourt, 2017), 78–92.

¹⁴ Andrew S. Erickson, Gabriel B. Collins, and Michael S. Chase, "China's Gray Zone Operations in the South China Sea," *Naval War College Review* 70, no. 4 (Autumn 2017): 32–55; U.S. Department of

China's Assertiveness: Drivers and Manifestations: A dominant theme examines the drivers and manifestations of China's increasingly assertive posture post-2009,¹⁵ including island-building, militarization, coast guard coercion, and the persistent assertion of the "nine-dash line" despite the 2016 Arbitral Tribunal ruling. Studies debate whether this stems from nationalist pressures, resource security needs, strategic vulnerability, or a deliberate strategy to establish de facto control and reshape the regional order.

US Strategic Rebalancing and Responses: Literature extensively covers the US "pivot" or "rebalance" to Asia under Obama, its continuation and evolution under Trump and Biden, and the consequent militarization of the rivalry. Key facets include increased Freedom of Navigation Operations (FONOPs), enhanced security partnerships (e.g., with Philippines, Vietnam, Japan), and the challenges of balancing deterrence with crisis prevention.¹⁶

Regional States: Hedging, Bandwagoning, and Agency: A significant body of work analyzes how Southeast Asian claimants and other regional actors navigate the great power competition. Concepts like "hedging", bandwagoning, and "active neutrality" are central to understanding the diverse political responses of states like the Philippines, Vietnam, Malaysia, Indonesia, Singapore, and Cambodia.¹⁷ This literature highlights the agency of regional states while acknowledging their constrained autonomy.

Broader Regional Political & Security Implications: Scholars assess the wider consequences, including the erosion of ASEAN centrality and unity, heightened risks of miscalculation and conflict escalation, impacts on the rules-based maritime order,

Defense, Annual Report to Congress: Military and Security Developments Involving the People's Republic of China (Washington, DC: Office of the Secretary of Defense, 2008–2022).

¹⁵ Andrew S. Erickson, *China's Maritime Gray Zone Operations* (Annapolis, MD: Naval Institute Press, 2019), 45–67; Ashley J. Tellis, "The Return of U.S.-China Strategic Competition," in *Strategic Asia 2020: U.S.-China Competition for Global Influence*, ed. Ashley J. Tellis et al. (Washington, DC: National Bureau of Asian Research, 2020), 3–45

¹⁶ Tomohiko Satake and Ryo Sahashi, "The Rise of China and Japan's 'Free and Open Indo-Pacific,'" *Journal of Contemporary China* 30, no. 127 (2021): 18–35

¹⁷ Woo Hyun Kang, Ekrem Korkut, and Jihyun Kim, "China's Nine-Dash Line Claim in Light of the Ruling by the Permanent Court of Arbitration," *Penn State Journal of Law & International Affairs* 5, no. 2 (2017): 426–463; M. Taylor Fravel, "China's Strategy in the South China Sea," *Contemporary Southeast Asia* 33, no. 3 (2011): 292–319; U.S. Department of Defense, *Military and Security Developments Involving the People's Republic of China* (Washington, DC: Office of the Secretary of Defense, 2022), 24–39

increased regional militarization and the potential for the SCS to become a "flashpoint" with global repercussions. The competition fundamentally shapes the strategic environment and foreign policy choices of all regional actors.

This thematic organization reveals the SCS not merely as a localized territorial dispute, but as the primary arena where US-China systemic rivalry is most acutely played out, with profound and multifaceted political, security, and institutional consequences for the entire Indo-Pacific region. The literature underscores the interplay between great power strategies and the adaptive, often precarious, responses of regional states caught in the middle

Research Gap

There is plenty of research available on SCS dispute and US-China rivalry in Asia Pacific as well as on China's dominant role in SCS but there is limited literature available about political implications for stability of the SCSR due to contestation between China and the US as their contestation is reshaping Foreign Policies of the regional states and impacting peace and stability of the region.

Core Argument

China's dominant role in SCS is creating insecurities among regional actors as well as antagonizing the US, resulting into political instability in the region with increased chances of limited warfare.

Theoretical Framework

Fundamental theory of international relations known as **structural realism** interprets international politics as a function of the anarchic structure of the international system, rather than human nature. It emerged as a theoretical advancement over earlier realist approaches by shifting the focus from individual motivations to the structural constraints imposed by the absence of a central authority in global politics. The main proponents of structural realism include **Kenneth Waltz**, who developed defensive realism, and **John Mearsheimer**, who articulated offensive realism.

According to structural realists, the international system is inherently anarchic, meaning there is no overarching authority above states. In such a system, all states are functionally similar but differ in capabilities. States are compelled to act in ways that ensure their survival, security, and relative power. The structure itself—characterized

by the distribution of capabilities across units—forces states into competitive and often conflictual relationships, regardless of their internal characteristics or leadership personalities.

States direct their foreign policies toward achieving three core objectives: **ensuring survival, maintaining security, and maximizing power**—either for protection (defensive realism) or for dominance (offensive realism). Power, especially military capability, becomes the primary means of safeguarding national interests. The anarchic structure incentivizes states to rely on **self-help**, meaning they cannot depend on others for their security and must build up their own capabilities or align strategically with others to balance against potential threats.

In this view, the **balance of power** is central. To prevent any one state from achieving a hegemonic position, other states form alliances to **balance** against the rising power. The preservation of global stability relies not on moral norms or cooperation, but on the structural distribution of power. Morality, therefore, plays little role in state behavior; national interest and survival take precedence.

The Cold War rivalry between the **United States and the Soviet Union** is a classic example of structural realist logic, where each superpower sought to prevent the other from achieving dominance. In today's Indo-Pacific region, the United States maintains its presence to preserve its **hegemonic position**, while **China's rapid rise** and assertive actions reflect its desire to alter the balance of power in its favor.

In the **South China Sea**, structural realism explains China's assertive behavior—including militarization of artificial islands and rejection of international legal rulings—as strategic efforts to enhance its regional dominance and deter external interference, especially from the U.S. China views American efforts—such as freedom of navigation operations and strengthening alliances with regional states—as attempts at **containment**, aimed at constraining Chinese influence.

Offensive realism, as proposed by Mearsheimer, argues that in an anarchic world, great powers are inherently driven to seek regional hegemony. From this perspective, China's strategic behavior is rational and aimed at securing regional dominance, which threatens U.S. influence. By contrast, **defensive realism**, advocated by Waltz and Robert Jervis, posits that states seek only enough power to ensure their survival. In this

framework, China's actions may be interpreted as defensive, though they are often perceived by others as aggressive—thereby intensifying the **security dilemma**.

Structural realism also criticizes liberal and institutionalist theories for overemphasizing the role of **international institutions** and **cooperation**, which are seen as secondary to the systemic pressures of anarchy. The theory tends to downplay the influence of domestic politics and economic considerations, focusing instead on **system-level** interactions and the **distribution of power**.

The U.S. pursues two strategic goals in the South China Sea: maintaining global primacy and ensuring a regional balance of power that favors American interests. Meanwhile, China perceives U.S. encirclement strategies and regional military partnerships as existential threats to its sovereignty and regional ambitions. This dynamic leads to an intensifying rivalry shaped by **structural imperatives**, rather than misunderstanding or miscommunication.

In sum, structural realism offers a rigorous analytical framework to understand the competitive power dynamics in the South China Sea, viewing both U.S. and Chinese actions as rational responses to the anarchic international structure and the imperative of survival in a system where power equals security.

Research Methodology

This study adopts a qualitative research design, integrating both explanatory and descriptive approaches to examine the strategic rivalry and foreign policy behavior of major powers in the South China Sea (SCS) region. Framed within the theoretical lens of **Structural Realism**, the research emphasizes how the anarchic nature of the international system and the distribution of power influence the behavior of states—specifically the United States and China. The study investigates the competitive dynamics between these two powers and examines how regional actors construct their political narratives and alignments in response to this structural rivalry.

The compatibility of Structural Realism with this methodological approach lies in its emphasis on systemic-level analysis and empirical observation of state behavior in pursuit of relative gains and strategic positioning. This approach enables a comprehensive analysis of the geopolitical motives, strategic calculations, and foreign

policy actions of both the U.S. and China, particularly in relation to contested maritime claims in the SCS.

The methodology incorporates multiple qualitative strategies to capture the multidimensional nature of the phenomenon under investigation. Document analysis forms a key component, involving the systematic examination of official speeches, policy documents, treaties, and government publications. This method supports the study's credibility by allowing the tracing of shifts in discourse and strategy over time.

In addition to primary sources, the research draws on a broad spectrum of secondary materials, including scholarly books, peer-reviewed journal articles, news media, and policy reports. These sources provide historical depth, expert interpretations, and theoretical grounding, enabling a balanced and nuanced evaluation of the evolving relationship between the United States and China in the SCS. The breadth of sources strengthens the empirical foundation of the study and enriches its explanatory capacity.

By employing multiple qualitative techniques, the study not only enhances the reliability of findings but also extends the analytical scope, thereby deepening the understanding of regional power politics through a structural realist perspective. In alignment with the main research argument, the analysis will focus on the interaction between **independent variables** (the United States and China), the **dependent variable** (the political configuration of the South China Sea region), and the **intervening variable** (China's maritime doctrine and its "two-ocean strategy").

Significance of the Study

One of the most resource-rich marginal seas in the world, the SCS is characterized by extensive fishing resources, abundant oil and gas reserves, and one of the busiest maritime transport routes that connects the Indian and Pacific Oceans. Its strategic location makes it significant not only to the coastal states but also to major powers such as Russia and the United States, both of which use the SCS as a passage to the Indian Ocean from the Pacific.

As an emerging global power, China has been asserting itself in the SCS through the modernization of its navy—the PLAN—as well as through the militarization of artificial islands it has built in disputed waters. These moves have further heightened

tensions, antagonizing other claimants, notably the Philippines, Vietnam, Malaysia, Indonesia and Brunei, and provoking strong pushback by the United States.

While the U.S does not have territorial claims in the SCS, it is a key player in the region. As the world's leading naval power, the U.S has a strategic interest in the continuing enforcement of freedom of navigation principle and deterring any challenges to the rules-based international order in that waterway.

Since 2009, China and the U.S have been increasingly contesting each other in the SCS, and this study seeks to analyse its political ramifications on regional stability and dynamics. The study seeks to provide an in-depth understanding of the role that these two giants play in the stability and security of the area, and how their moves impact the regional geopolitics and power equilibrium.

Delimitations

Since the topic of the study is china-US contestation in SCS (2009-2022): political implications for the region. Thus, the study would be restricted to only China-US contestation from 2009-2022, and only the political; security implications of this competition would be examined.

Organizational Structure

Chapter one history of the SCS dispute provides a timeline of SCS overview with emphasis on significant events of relevant history. And then by the timeline that will help decode the complex weave of this dispute. The expedition starts with before the colonisers came. Next, the subsequent era that followed the arrival of colonial powers has been studied. The chapter then privatizes on major events when Japan and France was involved. Next, they moved through the era of decolonization and the Cold War, focusing on the discovery of oil, the UN Convention on the Law of the Sea (UNCLOS), and the isolation of Vietnam. Finally, modern era was examined in depth with specific emphasis on the establishment of ASEAN.

Chapter one China's political and strategic moves towards SCS dispute starts with an examination of the historical foundations of China's claims in the SCS dispute. Next, it explores how China's approach to the region has evolved before assessing its present-day policy in the SCS area. It also discussion over the management of tensions and that the mentioned strategic changes seen in Chinese development since 2009 in another

dimension visiting different strategies, adopted by China to balance propositions around sovereignty, security and economic interests in the SCS. It then explores the question of China's economic influence and leverage vis-a-vis the conflicts. And, the expansionist policy of China as a global actor is examined with the specific context of SCS and the perceptions of scholars from India.

Chapter three U.S' interests in the SCSR we explore the significance of freedom of navigation for U.S foreign policy in the context of regional disputes in East Asia. In exploring this principle, we have followed its interrelated strategic repercussions in the greater context of the geopolitical landscape. Next, we will move on to analyze the implications of China's policies in SCSR as threats to U.S and its interests. This holistic assessment helped illuminate the complex threats and potential consequences to regional stability and US strategic interests.

Chapter four Political Implications of China-U.S power dynamics in the SCSR has covered some key topics in relation to power political aspects in the SCS from 2009–2022. This chapter highlights the major occurrences of power politics within the SCSR since then. Then, from 2009 to 2022, the foreign policies of three U.S administrations were examined to see how they approached the SCS. Next the developing power struggle, focusing on the U.S and China in the SCS area has covered, addressing some of the major confrontations and power moves. Finally, the political significance of the power politics between the U.S and China for the region of the SCS was reported in detail.

The thesis has been ended with conclusion, findings and recommendations.

CHAPTER ONE

HISTORY OF THE SOUTH CHINA SEA DISPUTE

The SCS, is a significant geographical feature situated in the western Pacific Ocean, adjacent to the Southeast Asian mainland. To the northeast, it is connected to the ECS via the Taiwan Strait; to the east, it is flanked by Taiwan and the Philippines; to the southeast and south, its confines are demarcated by Borneo, the southern extent of the Gulf of Thailand, and the eastern coastline of the Malay Peninsula; while on the west and north, it shares boundaries with the Asian mainland. Notably, when considered in conjunction with the ECS, the SCS collectively constitutes the China Sea. The southern frontier of the SCS is marked by an underwater elevation between Sumatra and Borneo, whereas the northern boundary extends from the northernmost tip of Taiwan to the coast of Fujian province, China, near the Taiwan Strait. In terms of its expanse, the SCS encompasses an area of approximately 1,423,000 square miles (equivalent to 3,685,000 square kilometres) and possesses an average depth of 3,976 feet (or 1,212 meters).¹⁸

The chapter has been divided into nine parts i) Prior to the Era of National Sovereignty, ii) European Colonizers and China, iii) The Coming of Japan, iv) Franco-Chinese Rivalry, v) Decolonization Period and Cold War, vi) Oil Resources and Maritime Law, vii) Isolation of Vietnam and viii) ASEAN against China ix) Conclusion

1.1 SCS Prior to the Era of National Sovereignty

In the 19th century, the concept of national sovereignty began to take shape in East Asia. However, during the 20th century, various regimes in the region often asserted historical claims to national sovereignty over islands, reefs, and territorial waters dating back much further in time. These claims were supported by references to archaeological discoveries and ancient texts. Notably, Chinese archaeologists discovered artifacts in the islands of the SCS that dated back over 2,000 years. Nevertheless, the categorization of these objects as distinctly ‘Chinese’ is subject to debate. While an artifact might exhibit Chinese characteristics or originate from China, it may not necessarily have been brought to the islands by representatives of the Chinese state.

¹⁸ Hans Evers, ‘Understanding the South China Sea: an Explorative Cultural Analysis,’ *IJAPS* 10, no. 1 (January 2014): 77-93 https://www.zef.de/fileadmin/user_upload/hdevers_download_Evers2014-SouthChinaSea-IJAPS.pdf

Historically, a significant portion of present-day Vietnam was under Chinese rule for nearly a millennium until the French colonization in 1884. Given China's extensive historical records, early mentions of the SCS and its islands are primarily found in Chinese written sources. These references reveal that the islands were visited by collectors of natural resources like feathers and tortoise shells, and later by fishermen. However, these sources also indicate that the reefs in the SCS were often named and described as hazardous obstacles for ships navigating the coasts of Vietnam, northern Borneo, and nearby regions. The perilous nature of these coral islands led to shipwrecks, contributing to the archaeological landscape later studied by 20th-century national archaeologists.¹⁹

Ancient merchants followed two main sailing paths across the North-South part of the SCS by sailing on its western or eastern edges. The safe navigation of these maritime routes demanded seafarers to stay clear of both the Spratly and Paracel Islands which appeared as single obscure features at that time. Strong winds deviated some ships off course to crash on these reefs as a result ships collected wreckage and their valuable cargoes washed up on shore. The historical background for present-day sovereignty claims contains evidence from former emperors and kings who tried to claim exclusive rights to plunder shipwrecks. In order to establish legitimate sovereignty according to modern international rules states must prove discovery along with economic use while demonstrating constant governance activities and control.

From the twelfth through the middle of the fifteenth century Chinese merchants controlled the business activities in the SCSR. The Southeast Asian state of Sri Vijaya maintained its leading position as Southeast Asian traders who connected to multiple Muslim merchant groups. The commencement of this period defined the Malay language as the main communication medium during long-distance trade operations. Chinese merchants conducted trade exchanges of their products with Southeast Asian spices and Arab items. During the fifteenth century Chinese maritime forces experienced obstruction after their ruler ordered an immediate end to ocean-going vessel development. After the Chinese maritime activity decline other powers including the Ryukyu Kingdom and subsequently European nations led by Portugal and followed by the Netherlands then Britain and France took control. Gradually throughout time

¹⁹ Timo Kivimäki et al., *War or Peace in the South China Sea?* (Copenhagen: NIAS reports, 2002), 6-18.

these foreign forces grew to exercise greater dominance and influence across the territory although they sometimes encountered conflicts that led to the start of colonial control.^{20 21}

1.2 European Colonizers and China

During the European arrival in the SCSR extensive changes emerged as new concepts of ‘sovereignty’ and ‘freedom of navigation’ entered the region. The period created a fundamental distinction between land-based and maritime domains as terrestrial regions received mapped territorial boundaries but seas remained open access spaces except coastal areas. During this period England and France and Spain through expansion gained political control over SCS border nations and established enduring geopolitical relationships which led to future territorial disputes.

During their material imports Britain and other European states France and Spain planted new governance and spatial authority frameworks through ideological systems that included weapons silver and opium. The land-sea dichotomy proved crucial because states meticulously divided their territories into sovereign nations through defined boundaries yet maritime areas mostly remained international common spaces with only a sparse coastal area within state control. This dual spatial understanding established new regional relationships while keeping unresolved sovereignty disputes that continue to exist today.

Foreign involvement in Chinese Japanese and Thai political systems through the pan-European period made these monarchies consent to European traditions while developing diplomatic practices on European basis which some viewed as a new form of colonization. These recent Asian international interactions provided sovereignty status to this set of nations so they could establish diplomatic independence. The governments faced the challenge of implementing European features which included marking borders through maps and marking territorial waters and planting sovereignty markers while handling European diplomatic processes.

Colonialism created numerous agreements which divided different nations in the SCS from approaching each other. The geopolitical structure of the region originated from

²⁰ Greg Austin, *China's Ocean Frontier: International Law, Military Force and National Development* (St Leonards: Allen & Unwin, 1998), 38.

²¹ Lu Ning, *Flashpoint Spratlys!* (Singapore: Dolphin Books, 1995), 184.

British, French and Spanish colonial activities. Spain originally controlled the Philippines before the U.S assumed rule in 1898.

Several treaties along with territorial agreements caused border disputes that endured for many decades into the twentieth century. The Sino-French Treaty of 1887 previously established boundary lines on land linking China to French Indochina through its partitioning of Gulf of Tonkin coastlines (and their associated coastal islands). Border claims about land divisions predominantly between French Indochina and Cambodia and Siam (also known as Thailand) persisted as subject to dispute throughout the initial part of the 20th century and the maritime boundaries in the Gulf of Thailand stayed unresolved during this time.

These territorial delineations had widespread implications. The nation of Cambodia faced severe hardships due to its reduced coastal territory which resulted from the territorial disputes between French Indochina and Cochin China and Siam. The disadvantage grew critical after coastal baselines became the starting point for maritime jurisdictions thus intensifying the strategic worth of minimal territorial deals.

European and American powers showed minimal interest toward the Paracel and Spratly Islands throughout most of the nineteenth century because they appeared as vague markings on 'Dangerous Grounds' on navigation charts while only nomadic fishing communities comprised their transient populations. During the late 1800s commercial developments became dominant thus leading to sporadic territorial declarations that included Britain's acquisition of certain small islands. The sea power rise of Japan in the following years transformed the territorial disputes by adding numerous complex layers to them.

The SCS became a site where fundamental statehood principles introduced 'a priori of space' concepts to form rigid territorial boundaries that differentiated land from maritime common areas according to sociologist John Ruggie's analysis. These frameworks changed the regional power structure while creating institutionalized conflicts which persist until today. Japan's ascension agitated the existing balance of power bringing a lasting political competition to the SCS.

1.3 The Coming of Japan

SCS experienced widening territorial disputes together with intensive geopolitical turmoil which spanned from 1894 to 1950. The Sino-Japanese War victory of 1894-95 alongside the Taiwan takeover resulted in Japanese control of Taiwan which sparked regional power changes and this shift emerged from European colonial rule and expanding US Navy power. The worsening rivalries between the major powers became evident through occupation and territorial disputes over the Paracels and Spratlys archipelagos as boundary disputes reshaped the SCSR.

Japan consolidated its maritime control after winning China allowing it to challenge Western maritime power while taking over Taiwan as a new strategic possession. Japanese commercial enterprises moved quickly into the markets of China, competing head-on with established European and American trade networks. This economic assertiveness, along with military expansionism, heightened tensions and previewed the SCS's status as a crucible of 20th-century global competition. After the First World War, Taiwanese-based Japanese companies began to exploit guano in the Paracels and the Spratlys. Not officially laying claim to these territories, this common sense measure was seen as a precursor to naval expansion.

Concerns with Japanese expansion led France to take interest into the Spratlys and the Paracels. France claimed the Spratlys between 1930 and 1933 and later occupied several of the islands. The Paracels were later permanently occupied by France in 1938 to shore up claims made during the Nguyen dynasty period in Annam (the name used for central Vietnam). While acknowledging the rival Chinese claim, France said its presence was defensive in nature and did not prejudice the resolution of the dispute. Britain did not contest the French actions, but kept alive its dormant claim to the Spratly Islands.

Military activity increased in the Paracels and the Spratlys by Japanese forces as far back as 1939, before it moved to occupy Hainan. Provoked by France's apparent inaction, Japan laid formal claims to both archipelagos as part of its empire. The Western powers objected, but the U.S objected only to Japan's unilateral action, not on behalf of other claimants. China found itself beset by civil unrest and unable to press its interests.

Itu Aba was strategically important for the Japanese when it laid plans to invade the Philippines in 1942, as it was widely used as a base for its submarine forces. During World War II, concurrent French and Japanese rule in Indochina was established through an alliance between Japan and the Vichy regime in France, resulting in the occupation of the Paracels and Spratlys by both French and Japanese forces. When Japan surrendered in 1945, France withdrew its forces from the Paracel Islands, creating a power vacuum in the region. By the end of World War II the U.S would establish itself as the preeminent naval power in the SCS and the ROC under Chiang Kai-shek would pursue aggressive territorial claims. Following the establishment of personnel bases on important islands the ROC issued its 1947–48 map which claimed major parts of the SCS although this partition remains disputed in legal terms. During this period France reaffirmed its colonial interests in Vietnam thus adding new elements to the existing territorial disputes.

Throughout 1894-1950 Japan carried out imperial ambitions as new U.S hegemony emerged alongside European colonial influences. These multiple international trends created a structured strategic arrangement which has resulted in multiple sovereignty conflicts and military tensions that persist in the region. Present-day conflicts about islands as well as boundary regulation and resource access throughout the SCS were established when these issues first emerged in the 20th century thus defining the ongoing geopolitical complexities in the region.²²

1.4 Franco-Chinese Rivalry

As World War II ended U.S control of the SCS became clear but Washington maintained a tactical focus in the region which stopped at using barren reefs for military drills.

A noticeable shift occurred in world politics after World War II concluded. The SCS claimant status quickly shifted towards maximum assertiveness after Chiang Kai-shek took control of the ROC. By the late 1940s the ROC used its postwar international position to send soldiers and build sovereignty symbols and distribute sweeping territorial maps which encompassed most of the maritime area. These disputed maritime claims through cartographic measures served as a diplomatic risk but

²² Zou Keyuan, 'The Chinese Traditional Maritime Boundary Line in the South China Sea and Its Legal Consequences for the Resolution of the Dispute over the Spratly Islands,' *The International Journal of Marine and Coastal Law* 14, no. 1 (March 1999): 27–54.

replicated previous territorial declarations made by European colonial powers. The government of Chiang positioned its territorial claims as essential for recovering lost sovereignty that Japan took away during its occupation thus grounding its ambitions through historical grievances and new geopolitical changes.

The ROC sent its naval forces to control both the Paracel and Spratly island groups between 1945 to 1946. Both Woody Island and Itu Aba received permanent military installations as British authorities instituted sovereignty signifiers when Chinese civilian-administered missions visited the largest islands within their respective Island groups.

The years 1947 and 1948 marked the time when Chiang Kai-shek's government introduced a map showing a dotted U-shaped line extending across most of the SCS. Nations across both Taiwan and mainland China adopted the released map because it effectively displayed their territorial assertions. The valid legal status of the map remains unclear at present. Experts continue to disagree about the meaning of this map as it pertains to island ownership within the boundaries or it specifies Chinese maritime boundary control of both sea and seabed areas. The undefined nature of this issue produces heated arguments between legal experts and politicians throughout Taipei.

In 1946 and 1947 France began conducting scientific investigations at the Paracel and Spratly archipelagos. The French authorities formally stated their territorial claims to both island groups while attempting without success to remove Chinese military forces from Woody Island located in the eastern Paracels. After its loss France decided to create a lasting Vietnam-supported military position on Pattle Island which is located west of the Paracels.

The Chinese Communist Party victory against Chiang Kai-shek's Nationalist government led to the establishment of the PRC on mainland China in 1949 while forcing the Nationalist government to seek refuge in Taiwan. Nationalist forces gave in to advancing Communist soldiers during May 1950 and had to forfeit control of Hainan which necessitated them to pull out their forces on strategic locations Itu Aba and Woody Island to Taiwan. The sudden retreat allowed France to capitalize on the opportunity by claiming the newly vacant islands because France was extending its colonial rule in Indochina. Paris chose to decline seizing available territory since they valued their diplomatic relations with the PRC more than territorial gains which could

alienate the new communist government. The critical geographic features of the Spratly and Paracel archipelagos remained vacant from the mid-1950s until France raised no claim on these islands.²³

1.5 Decolonization Period and Cold War

The multi-faceted conflicts in the SCS during the mid-20th century developed because of parallel Cold War and decolonization trends. Newly independent countries in the region encountered territorial disputes which deepened due to power maneuverings by large countries. Two new independent nations Vietnam along with the Philippines had difficulties in presenting their sovereignty interests to this changing international situation.

After achieving independence in 1946, the Philippines encountered challenges when asserting claims over the Spratly Islands. Although nationalists within the Philippine government sought to claim the islands, their American advisors discouraged such action. The 1898 Spanish-American treaty excluded the Spratlys from the western limit of the Philippine islands, and the U.S hesitated to support a move that could lead to conflict with China's Chiang Kai-shek.

Vietnam's path to independence was marked by internal strife and external involvement. The DRV was proclaimed in 1945, recognized by France as a 'free state' in 1946, only for war to erupt between France and the communist-led DRV. By 1950, Vietnam had two rival regimes: the Democratic Republic and the State of Vietnam under Bao Dai. The international recognition of these regimes was influenced by the geopolitical divide of the Cold War.

While the PRC, the Soviet Union, and Eastern European states recognized the DRV, the State of Vietnam received recognition from Britain and the United States, though it remained under French control in practice. The DRV, dependent on PRC support, aligned with the socialist camp's view that the Paracels and Spratlys belonged to the PRC.

French and Vietnamese leaders disagreed on territorial claims in the Paracels and Spratlys. France asserted Vietnamese ownership of the entire Paracels but claimed the

²³ Ruben C and Carranza Jr, 'The Kalayaan Islands Group: Legal Issues and Problems for the Philippines,' *World Bulletin* 10, no. 5 (December 1994): 49

Spratlys as French possessions. The 1951 San Francisco peace conference saw Japan renounce its claims to various islands, leaving the ownership of the Paracels and Spratlys unresolved. The absence of the two Chinese regimes in San Francisco led to continued ambiguity.

The USA and Britain, prioritizing their interests, preferred to leave the matter unsettled. British-controlled Sabah, Sarawak, and Brunei showed limited interest, and a 1950 strategic assessment by Australia found the islands of little value, allowing the Commonwealth to adopt a passive approach.

The Republic of China on Taiwan, which was not at the San Francisco conference, signed a separate peace treaty with Japan in 1952. While the treaty included the Spratlys and Paracels, France and Japan exchanged letters confirming the status quo established by the San Francisco treaty.

It is a third-anniversary of sorts: 1956 carries with it important echoes, not just for Suez and Budapest, but for the SCS. Filipino maritime activists, spearheaded by the Cloma brothers, undertook the audacious initiative at a time when dissatisfaction with their government's plans to bypass a compromise involving the western islands was mounting. Supported by the Philippine vice-president, they argued that the islands west of Palawan had become *res nullius* or unclaimed territory following Japan's abandonment. This resulted in the capture of a handful of islands and the founding of Kalaya'an (Freedomland), an act that set off a series of reactions and counter-responses.

The action by the Cloma brothers was an inflection point. They took up the islands and declared Freedomland. Thomas Cloma made a distinction between Freedomland and the 'Spratly Islands' to the west. While the distinction was fuzzy, the indication was that Freedomland covered all but one Spratly land feature, Spratly Island, along with the banks and reefs beyond it, most of what was referred to as the Spratly Islands by others.

The effort by the Cloma brothers inspired a range of reactions. Taiwan responded robustly, trying to expel the Filipinos but finding them already gone. Taiwan continued to retake Itu Aba and has been stationed there ever since the year 1971. The PRC (PRC) in its turn reaffirmed sovereignty and established a permanent presence in Woody Island of the eastern Paracels. The Pattle Island garrison on the westerly Paracels, having been a French command, became a US logistical support base.

The multi-faceted conflicts in the SCS during the mid-20th century developed because of parallel Cold War and decolonization trends. Newly independent countries in the region encountered territorial disputes which deepened due to power maneuverings by large countries. Two new independent nations Vietnam along with the Philippines had difficulties in presenting their sovereignty interests to this changing international situation.²⁴

1.6 Oil Resources and Maritime Law

The SCS transformed into a pivotal geopolitical arena in mid-20th-century times due to overlapping historical developments of decolonization and Cold War tensions and the rising demand for underwater petroleum resources. The analysis demonstrates how oil discovered in the area caused both regions to restructure their territorial boundaries while reshaping relations of power throughout this period.

The Spratlys region became the target of exploration by British and U.S energy firms from their existing operations in northern Borneo through the mid-1950s. Electromagnetic surveys during the early testing phase were unsuccessful but the Vietnam War era (1969–1973) marked a pivotal transformation because military technology advancements together with strategic needs turned speculative oil searches into geopolitical rocket fuel. Hydrocarbon mineral discoveries pushed sovereignty claimants to increase their speed along with their military and administrative control over contested islands and structures.

The law underwent parallel development which reshaped maritime territoriality. Global powers began formal negotiations in 1967 to codify rights to continental shelves in areas beyond territorial waters, resulting in landmark 1969 rulings in the International Court of Justice's North Sea Continental Shelf cases. But by entrenching the 'natural prolongation' principle — which gave coastal states jurisdiction over submerged geological extensions — the decisions sparked a rush to formalize offshore claims. Crowds turned out to pacifist calls in the wake of the 1973 oil crisis, which lifted (UNCLOS III) to the task of redistributing maritime boundaries in a world of energy scarcity prices.

²⁴ Wilfrido V and Villacorta, 'The Philippine Territorial Claim in the South China Sea,' *Centre of Asian Studies*, no. 97 (1991): 210.

UNCLOS III prompted debate over (EEZs), which grant coastal states sovereignty over marine resources. In 1972, Kenya proposed the establishment of the 200-nautical-mile EEZ, which was subsequently adopted in the 1982 UNCLOS. States started pushing for greater EEZs and the focus shifted in favor of acquiring islands to support continental shelf claims.

In the meantime, the Philippines officially claimed Kalaya'an (the eastern portion of the Spratlys) in 1971, with the hope of finding oil. In 1974, the Philippines occupied islets in the Reed Bank area, as part of the continuation of its claim. In fact, US companies obtained oil exploration contracts from South Vietnam in the Spratly area plus administrative measures to place the Spratlys under a South Vietnamese province.

In the Gulf of Thailand, Cambodia, South Vietnam, and Thailand made overlapping continental shelf claims. The 1982 straight baselines on the coast of Vietnam formed the basis for a wide continental shelf and EEZ claim. Malaysia's push for territorial claims north of Borneo and to establish joint development zones drew attention to the scramble that was developing for rights to extend continental shelves and ownership of islands.

In the SCS, the interests of oil exploration, changing legal regimes, and geopolitics converged from the 1950s to the 1980s. Standard Oil and the Pursuit of Oil Exploration in the SCS (1950s-1980s) the search for oil not only added to the race for sovereignty but highlighted the importance of having islands to bolster claims to continental shelf areas. Such various aspects have had a lasting influence on the territorial disputes of the region.^{25 26}

1.7 Isolation of Vietnam

From its acknowledgment by the socialist camp in 1950, North Vietnam gave an impression of backing China's claims in the SCS. This support was expressed through indirect means, such as maps, personal communications, and a 1956 official declaration that aligned with China's territorial waters declaration. Notably, South Vietnam played a more active role in advancing Vietnamese maritime interests during this period.

²⁵ Clyde Sanger, *Ordering the Oceans. The Making of the Law of the Sea* (Toronto: University of Toronto Press, 1987).

²⁶ Gerald Blake et al., *Boundaries and Energy: Problems and Prospects* (The Hague: Kluwer Law International, 1998), 117–135.

Throughout the Vietnam War, the relationship between North Vietnam and China underwent a decline. Hanoi's alignment with South Vietnam's stance on the SCS emerged. Following the conflict, the unified SRV (SRV) continued the South Vietnamese policy, rather than that of North Vietnam.

In the early 1970s, significant events unfolded. The Paris peace accords paved the way for the withdrawal of U.S forces from Vietnam. Subsequently, in 1974, China seized control of the Paracel Islands, ending the longstanding equivocal situation of Chinese troops occupying the eastern Paracels and Vietnamese troops holding the western ones. This action strained Sino-Vietnamese relations and isolated the pro-Chinese faction within Vietnam's communist leadership.

In response to the loss of the Paracels, South Vietnam rapidly occupied various Spratly Islands using troops previously ousted from the Paracels. Following the fall of Saigon in April 1975, North Vietnamese forces took command of the Spratly garrisons. Over time, Vietnam expanded its presence in the Spratlys, becoming the most dominant power in terms of occupying islands and reefs.

Post-Vietnam War, Vietnam and China vied to normalize relations with ASEAN member states. China's success in this effort isolated Vietnam, pushing the latter towards reliance on the Soviet Union, particularly in naval matters. The SCS became a theater for the Soviet–American naval rivalry, impeding China's attempts to enhance its position.

Mikhail Gorbachev's reduction of Soviet support to Vietnam created a vacuum, enabling China to enter the Spratlys. A 1987 scientific expedition and subsequent occupation of reefs increased tensions, culminating in a disputed battle in 1988. China refrained from ousting Vietnamese forces, partly due to Cambodia's occupation by Vietnam.

Vietnam's withdrawal from Cambodia in 1989 paved the way for improved relations. Subsequent normalization of relations between Hanoi and Beijing (1991), ASEAN membership (1995), and improved ties with the U.S (1995 and 2000) opened avenues for conflict resolution efforts.

The intricate interplay of historical events, strategic actions, and evolving diplomatic relations has shaped the complex territorial disputes in the SCS. Despite periods of tension, opportunities for collaboration and resolution persist within the region.^{27 28 29}

1.8 ASEAN against China

The 1990s witnessed a prominent clash of interests between ASEAN and China, along with Taiwan's alignment with the PRC (PRC). Simultaneously, regional state relations showed signs of improvement, enhancing the prospects for conflict management and dispute resolution. However, advancements were limited in the central SCS, while notable progress was observed in the Gulf of Thailand and the Gulf of Tonkin.

The coastguard operations between Vietnam and Thailand resulted in military tensions between both nations in the 1980s through sea vessel conflicts. A critical turning point emerged in 1996 when both states agreed to establish continent-wide practices for fishing and map out continental shelf jurisdictions. The nations of Malaysia and Vietnam established a Joint Development Zone in 1992 to oversee their overlapping continental shelf territories through economic coalition as they avoided sovereignty concerns. Maritime negotiations between Thailand and Vietnam and Cambodia have been unable to make progress in the Gulf of Thailand since historical tensions could not be resolved.

ASEAN's bonds started to weaken significantly during the late 1990s because the 1997–98 Asian financial crisis led to widespread political instability throughout its member countries. During the economic crisis of the late 1990s Malaysia both enhanced its isolated control of Spratly Islands and strengthened economic relations with China which created risks for ASEAN alliances. The Thai government filled the gap to find common ground between ASEAN members whose diplomatic positions had started to divide.

ASEAN pressure forced China to reconsider its opposition against multilateral solutions regarding disputes in the SCS. Late 1990s negotiations allowed ASEAN to hold talks at the ASEAN Regional Forum forum while sustaining bilateral engagements to strike a diplomatic and strategic handling of their position. A draft Code of Conduct

²⁷ Derek da Cunha, *Soviet Naval Power in the Pacific* (Boulder, CO: Lynne Rienner, 1990)

²⁸ Sheng Lijun, 'Beijing and the Spratlys,' *Issues and Studies* 31, no. 7 (July 1995): 18.

²⁹ Zou Keyuan, 'Sino-Vietnamese Fishery Agreement in the Gulf of Tonkin,' *East Asia Institute Working Paper* no. 77 (May 2001).

(CoC) introduced by ASEAN during 1999 sought to hold up further occupation and militarization of contested features in the SCS. The Chinese government accepted negotiations to renegotiate the Code of Conduct and shifted its focus from conflict prevention toward collaborative resource development. The 2000s brought negotiations to align competing objectives which resulted in a combination of principles that hid fundamental differences between the parties.

The disputes that occurred at that time led more nations to focus on resource exploration particularly oil exploration activities. U.S oil companies proved difficult to involve in SCS operations. The fishery disputes intensified in the 1990s because countries became worried about declining fish populations along with environmental threats to their marine resources. The mutual environmental dangers generated unified efforts between regional nations to conduct scientific studies and conduct biodiversity surveys and implement protective measures across the region.^{30 31 32}

Defensive realism demonstrates that China together with ASEAN states did not actively pursue maximum power agendas throughout the 1990s period. Strategic decisions made by both parties emanated from elements such as the security dilemma together with economic insecurities and shifting political conditions in the area. Within this region states resolved their tensions through defensive balancing strategies that included mutual diplomatic negotiations and cooperative agreements and security dialogues to maintain security without major confrontations. Through false interpretation of defense-oriented actions as hostile threats states created destructive tension patterns that strengthened the fundamental security conflict in the SCS.

1.9 Conclusion

A historical sequence of regional and foreign impact has transformed the disputes within the SCS throughout time. The original territorial claims depended on navigation and resource management before states had sustained governance over them. European colonial powers established new legal norms in the region that altered territorial

³⁰ Hasjim Djalal, 'Indonesia and the South China Sea Initiative,' *Ocean Development and International Law* 32, no. 2 (June 2001): 97–103.

³¹ Ian James Storey, 'Creeping Assertiveness: China, the Philippines and the South China Sea Dispute,' *Contemporary Southeast Asia* 21, no. 1 (April 1999): 95–118.

³² Liselotte Odgaard, 'Deterrence and Cooperation in the South China Sea. An Analysis of the Spratly Dispute and the Implications for Regional Order between the PRC and Southeast Asia after the Cold War,' (PhD diss., University of Aarhus, Denmark, 1999).

boundaries as Japan through its military actions made the area more strategically crucial. New countries gained independence during the mid-twentieth century following World War II and asserted claims whereby China's U-shaped line from 1947 emerged as a primary dispute source. Foreign relations from the Cold War era combined with former colonial structures intensified the existing conflicts.

Conflicts in the SCS evolved under three main external influences during the late 20th century: the processes of decolonization together with Cold War global politics and contests for regional resources. The governance challenges of Philippines and Vietnam regarding sovereignty coincided with increased exploration of oil resources as well as transforming maritime law regulations. China's military actions intensified regional tensions between China and ASEAN member states which produced temporary truces although they never solved the actual disputes. The SCS remains a core location for international power struggle because resources and security challenges persist throughout this region.

CHAPTER TWO

CHINA'S POLITICAL AND STRATEGIC MOVES TOWARDS SOUTH CHINA SEA DISPUTE

Among the primary actors involved in the SCS disputes stands the PRC (PRC). The strategies and activities and policies implemented by China have produced substantial changes in the Asia-Pacific region. Since its emerging economic and military strength Beijing has made claims that cover about 80% of the SCSR during the last twenty years. The SCS islands were not claimed by Chinese sovereignty before the 1940s. Official territorial claims to four archipelagos emerged as an official declaration just in 1958. In the 1970s, China used military force to occupy some of the disputed areas. However, Beijing has also shown a willingness to resolve disputes peacefully, participating in conferences and engaging in joint development of the region's natural resources. Thus, the PRC's approach to settling these disputes has alternated between cooperation and confrontation over the past decades.³³

This chapter is based on ten sections, i) Evolution of China's SCS Policy, ii) China's contemporary approach within the SCSR, iii) Managing Tensions and Diplomatic Shifts Since 2009, iv) China's Multi-faceted Strategy in the SCS: Balancing Sovereignty, Security, and Economic Interests, v) China's Economic Leverage in the SCS Disputes, vi) China's Strategic Tactics in the SCS, vii) The U.S Congress' assessment of China's strategy concerning the SCS, viii) China's Strategic Outlook and ix) Enhancing Coordination among Maritime Actors in China's SCS under Xi Jinping's Administration x) Conclusion.

2.1 Evolution of China's SCS Policy

This section of study is about the the transformative shifts in China's policy regarding the SCS since 2012, closely linked to the burgeoning national interests in the region. While the core concerns persist around questions of sovereignty, territorial integrity, and historical rights over various island groups, China's interests have significantly broadened, notably in the economic domain. This paper details the expansion of China's economic engagement in the SCS and examines the nuanced policy facets under President Xi Jinping's leadership. The study focuses on three critical elements of

³³ Leishangthem Singh, 'China's Strategy on the South China Sea Disputes,' *The Journal of International Issues* 21, no. 1 (Spring 2017): 80-99, <https://www.jstor.org/stable/48531510>

China's policy: the strategic employment of selective escalation to alter the status quo, a dual-track approach managing tensions with regional neighbors while excluding the U.S from the dispute, and the balancing act of short-term tension management with the U.S while actively preparing for potential future conflicts.

This segment examines Chinese national defense strategies through SCS importance that delivers defensive security through pipeline maintenance and energy preservation and territorial zone development. The article examines artificial island construction as an instrument which advances China's military strength while extending its power projection abilities and boosting its space program capabilities.³⁴

China maintains its island construction and military expansions in the SCS to preserve its vital strategic positions without escalating into offensive foreign expansion. The 'Great Wall of Sand' program together with China's surveillance networks and military bases in contested territories exemplifies defensive realism's explanation for state security enhancement in disputed areas.

Defensive behavior by China prompts American and regional states to increase their maritime operations and conduct drills while forming new alliances like the U.S, Japan, and Philippines partnership. The security dilemma plays a role because China's defensive expansions lead other actors to view them as aggressive which causes them to form balancing coalitions.

2.1.1 Maritime and Continental Balancing Act

As China exists between fourteen national borders it must maintain a balanced strategy to support its land and sea interests. Chinese defense strategies have evolved to extend traditional continental defenses by means of building artificial islands in the SCS into maritime territory. Artificial islands function as defensive barriers which provide surveillance capabilities combined with forward operating facilities while enabling different military functions.

2.1.2 Surveillance and Tracking Capabilities

Advanced surveillance technology from China allows them to monitor every maritime actor who enters the SCS through sophisticated sensors that operate underwater and

³⁴ Austin, Greg, *China's Ocean Frontier: International Law, Military Force and National Development* (St Leonards: Allen & Unwin, 1998).

overhead satellite systems. The ability of regional and international actors in the region to maintain stealth operations is affected through this development.

2.1.3 China's Dual Strategic Approach

It explores this key task, which is both needed and expensive for China to balance its continental and maritime defenses. Yet Chinese policymakers who were educated in a continentalist tradition may misconstrue these artificial islands as Chinese territory, risking potential military confrontations. Instead, it could be in China's interests to focus on reassuring regional and international stakeholders of its intentions.

2.1.4 Strategic Perceptions

For Chinese scholars, the SCS is a place where tensions can be managed, not the near inevitable battleground of the U.S and China. Strategic priority focuses more on Taiwan and North Korea, with the SCS viewed at best as an arena of great power competition. Similar to the risk that US engagement in and around the region emboldens allies in the area and contributes to upcoming unintended escalation.

2.1.5 Management of Freedom of Navigation Activities

China hopes to limit the ability of the U.S to undertake FONOPs while avoiding incidents that may lead to major confrontations and escalation. China's actions taken in response to are mostly symbolic and aimed at domestic audiences. China values territorial integrity above all when it comes to the SCS dispute, and uses that conflict as a tool to send public messages to the U.S and other parties.

China's two-pronged strategy—managing disputes in the region while shutting the U.S out—is textbook defensive realist behavior. By doing so, China can reduce first-order security threats to which it must prepare in the short term while also preparing for second- and third-order challenges in the long run.

Fortunately, China resumes diplomatic talks, signs economic cooperation agreements, and jointly develops resources to lower tensions. Long term: China uses that military infrastructure and presence to consolidate its territorial assertions to the point where it can defend those assertions if need be. This balancing act is characteristic of a defensive posture on the part of China, one that keeps in mind that avoiding direct military confrontation, especially with the U.S, is a top priority.

2.1.6 Perspectives of Chinese FP Elites on the SCS Dispute

Chinese FP elites consider the 2019 defence white paper an influential yet biased source on SCS issues according to Shane D. Smith's analysis. China establishes itself against the US and its allies by pursuing a different standard of international governance. SCS islands hold an essential position in the eyes of Chinese FP decision-makers who consider them vital for national territorial completeness. China claims the right to defend these islands by establishing military installations because national sovereignty establishes this position. The issue represents a fundamental difference between how the US promotes rules-based international systems and how China maintains sovereignty and territorial boundaries as core international law principles. Meanwhile, despite prevailing and growing.³⁵

Considerations of economic factors play an essential role according to defensive realism in security planning. China demonstrates economic dominance in the SCS through resource extraction and trade route control and region development showing that security matters include more than just military factors.

China defends its control over vital sea lanes in the SCS because it wants to ensure access to vital oil and gas reserves and defend its energy security goals. China maintains strategic buffer areas with military bases that secure its business interests by controlling significant maritime navigation routes for commerce.

2.2 China's contemporary approach within the SCSR

After China ratified the UNCLOS in 1996 the contest to determine maritime rights increased steadily within the SCS disputes. These developments have transformed China's approach from settlement blockage into maritime claim strengthening alongside the development of territorial control and the prevention of other claimant states' maritime advancements. China seeks two goals in the SCS disputes by blocking development access in fields like hydrocarbon exploration while acting as a key player in all activities and striving to gain best terms during negotiations. The comprehensive approach of China involves foreign relations and administrative functions and military power which may be initiated when other disputing parties take actions.

³⁵ Felix K. Chang, 'America and the Philippines Update Defense Guidelines,' *Foreign Policy Research Institute*, (May 2023).

China chooses a method of prolonged action instead of armed conflict to achieve its goals while refraining from taking possession of disputed features or forcing rival nations to abandon their maritime rights claims. China implements a strategy to build its legal authority over waters it claims to possess. Through its claim consolidation efforts China reduces the strength of its territorial opponents creating instability throughout the area. The defensive posturing of a key dispute state frequently generates feeling of threat among other participants which intensifies their security dilemma.

The defensive realist philosophy guides China in the SCS by prioritizing territorial security against territorial expansion. The Chinese government postpones maritime settlement and expands control over its territorial claims to stop other countries from taking major retaliatory steps against Beijing. Through this approach Beijing builds its position through time rather than cause direct military conflicts.

China boosts its maritime presence through diplomatic methods together with administrative procedures and restrained military operations to defend its territorial claims. The diplomatic activities and naval operations China conducts are viewed by regional claimant states as aggressive which drives them to enhance their relationships with both the U.S and outside players in the area. The security dilemma results in China increasing its representation which leads to increased regional insecurity.

2.2.1 The Diplomatic Component

China employs diversification techniques through diplomacy when implementing its delaying strategy. China first promotes individual talks with marine conflict claimants rather than group discussions as the preferred method for settlements. By following the delay strategy China foresees that other claimants will refuse these terms. China demonstrates its readiness for dialogue through non-substantial talks to gain time for strengthening its territorial assertions. Secondly, in response to the sovereignty and maritime rights claims of other states, China adheres to international law, actively maintaining its claims, typically through statements issued by the Foreign Ministry. Diplomatic activity serves as an indicator of dispute intensity, revealing that the current period has not reached the levels of instability witnessed in the early 1990s, as demonstrated by the frequency of China's territorial claims in the Renmin Ribao.

Post-May 2009, diplomacy assumed greater importance in China's strategy after the CLCS (Commission on the Limits of the Continental Shelf) submissions deadline. As

the Commission reviews technical submissions by states for claims beyond 200 nautical miles, UNCLOS rules demand that if land or maritime disputes exist, the Commission cannot qualify submissions from concerned states. Consequently, China objected to Vietnam's and the joint Vietnamese-Malaysian submissions, preventing the Commission from qualifying these claims, leading to increased tension in the SCS due to subsequent claims and counter-claims.

In the mid-2000s, as Vietnam sought to bolster its offshore petroleum industry through collaboration with foreign oil companies, China employed diplomacy to deter these activities in disputed waters. Issuing eighteen diplomatic objections between 2006 and 2007, China expressed strong disapproval of foreign oil companies involved in exploration projects. For instance, when the Indian company Oil and National Gas Corporation (ONGC) signed a contract with Petro-Vietnam in 2006, China denounced such activities as illegal. Similarly, China opposed Vietnam's plan to develop a natural gas pipeline with British Petroleum, claiming it infringed upon China's territorial sovereignty. These objections aimed to safeguard China's perceived maritime rights and dissuade foreign companies from engaging in ventures with other claimants.

China employs diversification techniques through diplomacy when implementing its delaying strategy. China first promotes individual talks with marine conflict claimants rather than group discussions as the preferred method for settlements. By following the delay strategy China foresees that other claimants will refuse these terms. China demonstrates its readiness for dialogue through non-substantial talks to gain time for strengthening its territorial assertions.^{36 37}

2.2.2 Administrative Actions

The Chinese government uses jurisdictional control to strengthen its claimed territorial waters and reacts to economic activities of other claimant states that involve fishing and hydrocarbon development.

³⁶ Sylvie Lanteaume, 'In Multiple Messages, Biden Warns Beijing over Expansionism,' *Yahoo News*, January 28, 2021.

³⁷ Wendy Wu and Teddy Ng, 'China-US Tension: Biden Administration Pledges to Back Japan and Philippines in Maritime Disputes,' *South China Morning Post*, January 28, 2021.

2.2.3 Fishing Regulation and Enforcement

In the effort of claiming maritime rights, China facilitated supervision of fishing during the claimed regions over the past decade. The SSRFAB is managed by the Ministry of Agriculture which is in charge of handling the fishing industry in China, providing protection for the fisherman at sea and enforcing laws like fishing limitations and quotas. The additional responsibility for the SSRFAB involves prudent supervision of the waters surrounding the Spratly islands. The Bureau has conducted law enforcement patrols around the Spratly islands since 1994 and after the Chinese occupation, the Bureau stationed personnel on Mischief Reef permanently. SSRFAB has two sub-units responsible for conducting enforcement of marine legislation; these are the China South Sea Fisheries Administration Contingent, and regional fishery administration branches in Guangdong, Guangxi, Hainan provinces. The SSRAB now has several ships which are stationed under result control and they perform duties of patrolling the Paracel and Spratly regions. The primary objectives of these trips are to ensure proration of fishing policies and render support for fisherman which are indicators demonstrating control over the claimed waters.

This academic overview integrates diplomatic objections, commercial dissuasion, and administrative reinforcements to describe how China attempts and claims fortifies its SCS maritime claims. China has detained foreign fishing boats and crews that fish within the waters of China's claims. This action escalated after the 2000 Chinese-Vietnamese agreement came into effect in 2004, which set limitations on fishing in the Gulf of Tonkin. From 2008, a spike in Vietnamese ships around the Paracel Islands was noted, which was presumed by China to undermine its sovereignty claims over the islands and maritime rights. To strengthen this contention, Chinese State Oceanic Administration's South Sea Fleet (SSRFAB) executed eleven 'fishing' operations around the Paracels which lasted about twenty-five days each in the year 2009. Meanwhile, China also unilaterally extended the summer fishing ban, which had been in place since 1999, to waters north of twelve degrees. Vessels of SSRFAB were sent to enforce this ban, which proved China's assertion of maritime rights.

The heightened Vietnamese fishing activities, coupled with the reinforced SSRFAB presence, led to increased maritime confrontations. In 2008 and 2009, SSRFAB vessels confronted and 'expelled' 135 and 147 foreign boats, primarily of Vietnamese origin, resulting in several lethal altercations. China started detaining Vietnamese fishing boats

and crews, often imposing fines or seizing the vessels. Reportedly, between 2005 and October 2010, China detained 63 fishing boats with 725 crew members, with a peak in 2009, detaining or seizing 33 boats and 433 fishermen. While detentions ceased in 2011, China continued to confiscate catches of ships it claimed were operating in its waters around the Paracels.

Beyond safeguarding claimed waters, China's fisheries administration vessels also protect Chinese fishermen when confronted by vessels from other countries. Incidents of aggression against Chinese trawlers, including firing upon, detaining, or repelling them, have occurred frequently since 1989. For instance, in 2009, Vietnamese vessels reportedly fired on Chinese boats, injuring three Chinese fishermen, while ten Chinese trawlers were seized the same year.

2.2.4 Hydrocarbon Exploration

The Chinese government enforced its maritime jurisdiction by controlling the activity of oil providers. From 2006 to 2008, Vietnam's offshore oil and gas resources development resulted in negative Chinese reactions such as warning mobilizations and bullying of foreign energy companies. In 2011, China obstructed seismic mapping which Vietnam and the Philippines were carrying out in their claimed EEZs. There has been a major state actor in these confrontations whose actions, like those of the fisheries administration, have preceded the MSF who was in charge of such government interventions.

The MSF's Southern China Sea branch, which opened in 1999, directly administers the surrounding waters of certain territories and the contested islets together with thirteen vessels at its disposal. Like other marine departments, the MSF has the objective of defense of state sea borders and trade zones as defined in Chinese law. From 2006, in an attempt to appear more powerful, the MSF claimed the right to conduct law enforcement patrols for 'protecting rights' which resulted in, among other things, the declaration of sovereignty over the James Shoal in April 2010.

The MSF is not always publicly known when or how often its vessels patrol, but during the first half of 2011 it was seen confronting and disrupting seismic surveys undertaken by Vietnam and the Philippines.

2.2.5 Military Component

In regard to the SCS, China's military posture is much more nuanced and indirect. While Beijing flaunts its modern naval assets by conducting various patrols and training exercises, the country, up until recently, has refrained from direct violence to forcefully seize control of contested regions or expel foreign powers from their claimed domains. Rather, the primary emphasis has been placed on improving China's defensive posture and deterring any challenges against its claims.

China has aggressively focused on the rest of the PLAN's South Sea Fleet (SSF) supporting infrastructure by building bases and naval ports for the claimants of the Spratly Islands. Over the years, the SSF has made impressive strides such as transforming from a more technologically impoverished fleet in China's PLAN to being one of the vanguard fleets with advanced vessels.

A marked improvement has been the infusion of new modern destroyers and the first Chinese amphibious landing platform dock (LPD) Kunlunshan that can deploy a Marine Battalion. These changes have dramatically improved the operational abilities of the South Sea Fleet such as improved performance of support operations in the Gulf of Aden which have turned active.

The PLAN has also showcased its naval prowess through multifaceted training and patrols of the SCS. Although information on these activities is often difficult to come by, their increased scope and occurrence suggests an increase in China's naval power and sovereignty projection in the area. Notable exercises include the long-range sailing around contested features which has achieved record lengths and variety of naval activities performed within a single naval exercise.

In the Spratly Islands, the PLAN also outwardly claims dominion by using a few surface vessels that are permanently positioned in China's principal bases on these islands. Also, patrolling and loitering in claim contested waters and the SCS, as well as pausing at Chinese reefs when escorting vessels in the Aden Gulf, are meant to actively claim these regions for China's sovereign control.

The PLAN's enhanced SSF and the aggressive posture and training routine issued recently suggests that China intends to bring more of its power to the SCS to enforce its territorial claims and solidify its foothold in the area. Instead of actively claiming

border regions, China opts for diplomatic relations that prioritize means of compromise over multilateral

Objections and control of international resources can be leveraged to ensure that the conditions setup by China for its maritime claims to be contested are militarily improper to achieve. Diplomatic military action is obliquely suggested by the denial of these conditions. The approach combines strategic advancement while minimizing escalation, which is a trademark of defensive realism philosophy³⁸.

While China has expanded the naval presence by modernising the South Sea Fleet, defensively proactive acts still outweigh the offensively aggressive ones. The construction infrastructure of naval bases coupled with artificial islands showcases the deterrence strategy employed as militaristic exercises undertaken further reinforce the defense signals claim. Allegedly, China does not directly expel foreign forces or seize additional contested domains as such moves invite violent responses from either Washington or the region.

Seemingly, the assertion is supported by the immigration from the central government. Establishing facilities on artificial islands is one way the China government consolidated control in the SCSR. Arguably, no territory has been claimed unlike in the past, only defending the core encircle SLOCs (SLOCs) has been established. Cavalier control remains in balance with the naive belief adopted by realist philosophy, however, claiming denial still contradicts China's overt conflict respite.³⁹

China's approach regarding the SCS exhibits characteristics of defensive realism through protecting sovereignty, waiting for power resources to grow, and military deterrence instead of aggressive war. Their choice towards stalling conflict resolution, employing low-level coercion, and strengthening naval forces without launching major military actions demonstrates their defensive position. Although China's behavior causes some degree of regional instability because of the security dilemma, it is still concentrating on protecting national interests with least chances of escalation.

³⁸ Kari Soo Lindberg, 'US Cuts Taiwan Transits Even as China Steps Up Military Pressure,' *Bloomberg*, January 6, 2023.

³⁹ Nick Wadhams, 'Pentagon Says Policy on Taiwan Strait Transits Is Unchanged Despite 2022 Decline,' *Bloomberg*, January 11, 2023.

2.3 Managing Tensions and Diplomatic Shifts (Since 2009)

This inquiry analyzes the significant changes in China's approach towards the tensions in the SCS since 2009. It examined time, counter dispute, diplomatic negotiations, and regional tension management and the consequences of all on geopolitics. It aims to understand the incidents and processes that contributed to this approach as well as the impacts of China's policies on the stability of the region.

The period since 2009 has seen the most dominant changes in the geopolitical context of the region, which includes increasing conflicts, modification of policies, and diplomatic strategies. China's unreserved attempts to enforce its territorial maritime claims catalyzed a reaction from stakeholders in the region and led to diplomatic attempts and containment strategies to lower tensions. The goal of this study is to identify key phases of incidents and shifts in diplomatic and Chinese approaches to the SCS disputes.

The time in China attempted to consolidate their claims during this period more aggressively in contended maritime rights over the SCS. This further claimed aggravation of the already escalated levels of tension in the region. Most notably, the July 2010 ASEAN Regional Forum (ARF) meeting was a meeting with focus for building of concern when America alongside eleven other states showed concern towards the policies and claims that China possessed. Moreover, the incident of cable cutting in May 2011 which involved three Missionary Ships further increased the international community's perception of China being too brash and very militaristic.

China's lack of scriptural moderation can in itself be viewed as moderation that can accommodate more extreme reactions without quelling them. Slow moderation was precautionary aimed in order to reduce chances of improvocation after reaction to the neighbouring countries dissatisfaction. China's shift to moderate ways became visible after the July 2011 agreement reached between ASEAN and China on steps to be followed towards fulfillment of the 2002 Declaration on Conduct (Document of Compliance) that focused on meeting basic standards. While these attempts lacked content, they were proposed to reduce the aggravation as well as the competition for the claim over the SCS. China was not only trying to improve their image in the region, but try to change the perception the US had towards the dispute as well.

Symbolism and Substance of Agreements: While the China-ASEAN agreement had some symbolic value, it did not have a major impact. The guidelines meant to DoC included workshops designed to promote confidence building such as, environmental protection, navigational safety, and trans-national crime. It is important to highlight that these actions offered no resolution to any disputing sovereignty claims. There. The agreement between Vietnam and China regarding the implementing guidelines show willingness abs motivate to no allow fighting. The disagreement about ASEAN's practice for meetings was settled which shows willingness from both sides to reduce tension. Furthermore, China also became friendlier regarding the rest of the world maritime activities. In any case, the lessened rate at which Chinese authorities were detaining Vietnamese fishing boats is a sign, much more friendly towards preliminary respond to Chinese diplomacy have sought. China's ware bounded to obey Sino-diplomatic mash is in step with bewilderment. The deepest leaders of China once again issued the statement 'sovereignty is ours, let's set aside disputes and pursue joint development' concurrently 'let us fight but not over irrelevant topics,' as encouraged by Deng Xiaoping.

The changes China is making in its fishery activities may point towards an impending antagonistic response in other areas such as offshore oil. The intention of China's moderated stance will be tested when Vietnam and the Philippines undertake new rounds of seismic survey work. Evidence from previous episodes, such as China's cable cutting incident in 2011, suggest China has put in place some level of self-restraint regarding aggressive hostile behavior within its claimed areas of sovereignty. Since 2009, China has sought to reduce SCS tensions using diplomatic modulations and recalibratory actions, which constitutes a significant departure from their prior behavioristic approach. China's strategy alteration and its accompanying consequences on regional instability are increasingly examined in light of any new developments in offshore resource exploitation and the disputes over the SCS borders.

Starting from 2009, China's approach at managing relations in the SCS has incorporated these two seemingly conflicting positions – being aggressive and being moderate. A realist's perspective of international relations explains this as the premise of gaining security through the controlling of strategic spaces without initiating hostile actions. China's territorial claims in relation to the cable cutting episode of 2011 is better classified as an emerging response to defend sovereignty and security rather than

unprovoked actions of hostility. China's response was further stimulated by the participation of external powers like the US and the counter-resistance of ASEAN states.

China's response to increasing resistance in the region – like the signing of the guidelines for the implementation of the 2002 Declaration on the Conduct of Parties in the SCS – also illustrates this defensive realist doctrine. China has proven its willingness to engage in diplomatic processes to impose order and destabilize assertive actions while safeguarding claimed areas. The guidelines, although seen as mere tokens, were a way for China to suppress the escalation of conflicts and prevent consolidated resistance from ASEAN states.⁴⁰

2.4 China's Multi-faceted Strategy in SCS

Equating sovereignty and national territory, China adopts a no compromise position with regard to other contending claims in the SCS and is prepared to use military force to protect its territory.

Chinese strategic interests in the SCS are heavily fused with economic factors and military expenditure. Economically, dominating this area leads to the immense upcoming energy source from hydrocarbon deposits estimated to be around 105 billion barrels, and there are other necessities needed for fulfilling the needs of China. As the second highest oil consuming nation in the world, it is vital for the country to acquire energy and also have control on the pivotal sea route known as the Strait of Malacca. This area contains around 80% of China's oil imports and a portion of trade important to the country. Controlling these waters is essential for not only the growth of China, but also the fulfilling of energy needs. Furthermore, a significant proportion of China's annual fishing needs are supplied from the SCS, which is vital for the food security.

Control of the Southeast Asia Sea allows the Chinese mainland to be protected further towards the south while acting as a strategic obstacle to possible threats. It allows China to control where military outposts can be created to project power, deter other nations from coming too close, and claim the area for China. Knowing that the Chinese military

⁴⁰ Andrew Erickson, 'Make China Great Again: Xi's Truly Grand Strategy,' *War on the Rocks*, 30 October 2019, <https://warontherocks.com>.

can operate within the SCS serves the purpose of safeguarding the region against unfriendly actions targeted towards China, enhancing its security stance.

The expansion and modernization of China's People Liberation Army, especially the Navy, and other paramilitary forces is one of the many steps China has taken to achieve this goal. It is no accident that China has focused on bilateral relations at the expense of multilateral forums to discuss so called 'contested regions'. Economically, China has promoted itself as the center of multiplying trade relations and has extended its arms with the nine dash line as a claim to dominate trade in these waters.

To achieve its strategic objectives, China employs diplomatic, military and economic means. In regards to political activities, China prefers separate bilateral negotiations to multilateral international forum conferences. This discourages external interference in the disputes. Defensively, the country has raised its military budget by a large amount, particularly in strengthening naval forces, so that China is protected from challengers. These measures included the construction of anti-ship missiles and powerful radars as well as submarines for submersible warfare. Also, China has built a fleet of heavily armed paramilitary forces for the purpose of exercising hegemony over shipping lanes, including building and upgrading military facilities on islands and reefs that are... strenuously claimed by other nations.

China's conduct in the SCS clearly demonstrates a regionally integrated approach in which political, military, and economic aspects are blended for the purpose of preserving and promoting her primary national interests in the region. China has taken a military and diplomatic approach to deal with the SCS. In this context, China's modernization of the PLA Navy, construction of artificial islands, and employment of civilian paramilitary organizations are interpreted as forms of self-defense rather than belt and road aggression. The phrase defensive realism describes an approach in which a country arms itself in order to guard against external hostility rather than pursue confrontational tendencies. The decrease of Vietnamese fishing vessels detentioned over the years is a sign of China's attempt to avoid triggering stronger regional responses.

The phrase 'sovereignty is ours, so put aside disputes and let us work together' illustrates the same defensive tactic that has countered a nation's security with proactive participation. This, along with support from top leadership, helps make clear that China

intends to protect its interests while precluding outright force that could spark destabilization in the region or invite U.S intervention.⁴¹

2.5 China's Economic Leverage in SCS Disputes

China's influence in the SCS conflicts also involves economic components aside from military and diplomatic. China's economic growth, particularly its immense expansion of trade and investment in the area, is of utmost importance in any FP and conflict resolution engagements.

The ASEAN China Free Trade Area is an example of China's economically favorable, even striking, region as the largest free trade area by population and the third largest by nominal GDP. Even more impressive is the fact that China's trade with ASEAN countries increased by 640% in the first decades of the 21st century, which clearly indicates that economic relations can serve to strengthen China's foreign relation efforts.

Whether for diplomatic relations China knows how to utilize or weaponize its economic stature. This nation single handedly stopped trade with the Philippines during the tensions to attempt to show them their economic prowess. One of the better examples of China using their economic power to show political influence is cutting down the imports of bananas.

This includes issuing derogatory statements against foreign oil companies the region and using its paramilitary forces to stop their works. At the same time, China puts out bids for exploration in the disputed regions, thus defying accepted norms and international borders. This is one of the more recent developments controversies in the SCS. While China is extremely flexible in employing Ends, Ways, and Means of strategic action, a major problem is its blatant neglect of known international norms particularly international law or borders of sovereignty.

China has powerfully blended its military and diplomatic practices with economic influence aiming to manipulate the disputes around the SCS. While China tries to

⁴¹ Andrew Erickson, 'Make China Great Again: Xi's Truly Grand Strategy,' *War on the Rocks*, 30 October 2019, <https://warontherocks.com>.

achieve its goals through a more realistic approach, its compliance to international rules could be a problem in more ways than one.⁴²

2.6 China's Strategic Tactics in the SCS

China's control over the SCS became a lot more assertive over the last decade or so. Chinese efforts toward consolidating power in this region began in the 1970s and 1980s, and the pace of expansion was accelerated in the 2010s. This is driven by a more ambitious goal of exercising comprehensive dominion over the SCS, all while strategically undermining American presence in the region without having to engage in war. A distinctive feature of China's response is the use of aggressive and conciliatory diplomatic approaches, popularly known as the 'sticks and carrots' strategy.

In addition to controlling the Paracel Islands, China has enhanced its A2AD capabilities by taking control of Johnson South Reef. Beijing's activities are increasingly accompanied by the threat of force deployed through multiple channels - military and para-military - including the use of coast guard vessels, militia and armed civilian fishing boats. This enables China to antagonize other countries in the region including Indonesia, Vietnam, Malaysia, and the Philippines, hindering their economic progress.

China has been particularly aggressive with any U.S military activities conducted in or around its coast and (EEZ). China has taken international maritime laws, such as the (UNCLOS), and twisted them in ways that allow China to use the international law to restrain ISR (Intelligence, Surveillance, and Reconnaissance) activities within its claimed EEZ. With the rise of Chinese activities in the SCS over time, such as island construction, military base development, and economic activity, there is growing concern from neighboring countries and the U.S regarding China's actual ambitions in the region.

To achieve the necessary hold, China is implementing multiple approaches: from unconventional methods, such as the use of the coast guard and militarized fishing vessels, to economic offers like the BRI and the AIIB. The objective of these projects is to gain the support of their immediate neighbors while weakening international resistance against China's policies.

⁴² Jane Perlez, 'China and Vietnam Point Fingers after Clash in South China Sea,' *New York Times*, 28 May 2014.

China has successfully adjusted regional dynamics to its benefit in ways that tenders the national opposition to its activities. China, spending an enormous amount on its armed forces and focusing efforts to boost the economy, is trying to cement its place in the SCS while being careful not to provoke friction with the United States. So, the problem becomes how to develop effective responses to China's gradual encroachment of sovereignty in the SCS while at the same time dealing with the continuation of deteriorating stability of the region.

Chinese economic dominance constitutes another pillar of his defensive realism strategies. Instead of combat operations singularly, China has employed economic means like trade sanctions (such as the ban of Philippine bananas) and diplomatic protests against foreign oil exploration. They succeed in enabling China to dominate disputed territories without coming to arms. While China strengthens its ties with the region by establishing the ASEAN-China Free Trade Area, he knows that regional players become addicted to economic control which makes them loose their unity against China.

Like the defensive realism theory suggests, the restriction of imports or the discouragement of foreign energy companies from operating in China are selective means of economic coercion enforced by China. This enforcement tends to maximize security while minimizing strife. The example provided illustrates how China balances tensions through diplomatic and economic means rather than resorting solely to military force.⁴³

2.7 The U.S Congress' assessment of China's strategy concerning the SCS

China has continuously attempted to strengthen its position over the SCS while concurrently dealing with the maritime conflicts in that region. This attempt can be described as follows:

The assertion and protection of the maritime claims commenced with a focus on strategic national goals. China made claims over the SCSR and developed a multi-pronged strategy that included diplomacy, media, trade, military, police, and civilian services.

⁴³ Jane Perlez, 'China and Vietnam Point Fingers after Clash in South China Sea,' *New York Times*, 28 May 2014.

China's overarching strategy demonstrates the soberness in tactical variation and adaptation for the goals they pursue; it is often called a long-term game. China's investments as a part of this strategy will not only lead to little to no resources devoted towards it, but also require absorbing reputational costs gifted due to the anti-China policies. China's motives encapsulated within these strategic goals allow them to maneuver towards them while maintaining a sense of flexibility.⁴⁴

2.7.1 Salami-Slicing strategy and the tactical approach of Gray Zone Operations

Different analysts employ a variety of descriptive terms for China's movement in the SCS, which includes its strategy of expanding after capturing contested territories, 'salami-slicing.' Some of these terms are 'gray zone operations,' which refers to a non-peaceful non-war strategy to achieve a specific goal, 'creeping annexation,' 'creeping invasion,' and 'incrementalism,' which persistently, step by step, modifies a situation incrementally in favor of an intended outcome. 'Talk and take' is also one of the phrases where China directly negotiates and simultaneously exerts control over the area that is much contested.

There have been numerous reports confirming the increasing use of pressure tactics by China to further its interests in claimed territories. China is explicitly attempting to use military aircraft, navy militia boats, and sand dredgers to dominate access in the contested areas. This is all being done in a way that is indirect and does not involve outright military force; however, it does slowly camouflage the status quo, which, as some US officials and other specialists within the region, means that China will be enabled to control large portions of the Pacific Ocean over time.

As assessments show, China's strategy seems to be focused on dragging out the use of military power to all neighboring countries. China has a clear protracted strategy of burning down the other regimes while slowly allowing them to retreat without needing armed conflict. A senior U.S Defense official described this ever-strategic and relentless approach as 'slicing through' an opponent which, according to analysts such

⁴⁴ Jane Perlez, 'China and Vietnam Point Fingers after Clash in South China Sea,' *New York Times*, 28 May 2014.

as Poling from C.S.I.S. allows China to have adversaries beneath them without any justification of exhausting force.⁴⁵

2.7.2 Base Construction and Island Building

The US has expressed greater concern towards China's actions of constructing bases in the Paracel Islands and Spratly Islands. This includes their reclamation activities which are believed to allow China to take control of the SCSR faster. Their construction efforts on the bases, as well as islands after December 2013, began during island-building in the Spratly islands, which was publicized around May 2014. The US's concern reached new levels after the article written February 2015 showcased the constructions China was making on islands and reefs using satellite imagery.

China's occupation spans seven sites in the Spratly Islands, where it has actively pursued island-building and facility construction. Three specific locations—Fiery Cross Reef, Subi Reef, and Mischief Reef—have received particular attention due to extensive developments. These sites now boast extensive airfields and a substantial array of buildings and structures, signifying the magnitude of China's endeavors in these areas.

2.7.3 The recently implemented maritime legislation that came into force on September 1, 2021.

Effective from September 1, 2021, China implemented an amendment to its Maritime Traffic Safety Law, which requires foreign vessels to provide specific information prior to navigating through what China refers to as its 'territorial sea.' This alteration aims to impose new notification and reporting prerequisites on foreign ships, compelling them to disclose details such as their name, call sign, current position, destination, and cargo.

The U.S expressed firm opposition to coastal state laws or regulations that infringe upon the internationally recognized rights of navigation and over flight. Defense Department spokesperson John Supple emphasized the serious threat posed by illegitimate and broad maritime claims, particularly in the SCS, affecting freedoms of navigation and over flight, free trade, lawful commerce, as well as the rights of SCS and other nearby nations.

⁴⁵ Jane Perlez, 'China and Vietnam Point Fingers after Clash in South China Sea,' *New York Times*, 28 May 2014.

In response to concerns regarding the impact of China's maritime law on U.S Navy operations, Pentagon's Lt. Col. Martin Meiners affirmed the United States' commitment to continue operating within the bounds of international law, stating, 'The U.S will continue to fly, sail, and operate wherever international law allows.'⁴⁶

2.7.4 Additional measures that have escalated apprehensions

Several other actions by China in the SCS have amplified apprehensions among U.S observers. These actions encompass China's maneuvers after a standoff with Philippine ships at Scarborough Shoal in 2012, the establishment of an air defense identification zone over the ECS in 2013, recurrent patrols by Chinese Coast Guard ships around the Senkaku Islands, pressure against Philippine military presence in the Spratly Islands, an increasing civilian Chinese presence in occupied SCS sites, including vacationers and permanent settlements, and the deployment of military systems to newly constructed bases in the SCS. These actions collectively raise concerns about China's intentions and strategies in these contentious maritime regions.

China employs not only its navy but also its coast guard and maritime militia in asserting and safeguarding its maritime claims. Remarkably, the maritime militia and coast guard are utilized more frequently and extensively than its navy for sovereignty-assertion operations at sea. China consistently expresses support for freedom of navigation while presenting a narrow interpretation of this principle, primarily centered on enabling commercial cargo ships to traverse international waters. This perspective contrasts with the broader definition of freedom of navigation adhered to by the U.S and Western nations. China's concept excludes military ship and aircraft operations and is observed to interfere with non-Chinese fishing vessels, considered by some as a form of obstruction to commercial shipping freedom.

According to China and a minority of nations, the UNCLOS grants coastal states the right to regulate not only economic but also foreign military activities within their EEZs.

China, preferring to handle territorial disputes bilaterally rather than multilaterally, opposes U.S involvement in the SCS disputes. Statements from China's state-controlled media often portray the U.S as an outsider attempting to disrupt the otherwise peaceful

⁴⁶ Military and Security Developments Involving the People's Republic of China, 2011,' Annual Report to Congress, http://www.defense.gov/pubs/pdfs/2011_cmpr

regional scenario, particularly through activities like FONOPs . Similar sentiments are extended towards potential or actual Japanese involvement in the SCS. Such depictions serve China's objectives of creating a divide between the U.S and its regional allies and partners, ensuring maximum leverage in bilateral discussions over maritime territorial disputes, rather than engaging in multilateral negotiations.⁴⁷

2.7.5 China's Expansion Policy in the SCS as Perceived by Scholars from India

China's ascendancy in the global economic landscape has mirrored a parallel growth in its military prowess. Presently, holding the position of the world's second-largest economy, China has solidified itself as a dominant force in global military capabilities. This confluence of economic success and military power has instigated an exponential boost in China's military modernization endeavors.

China's Navy has undergone significant modernization in recent years. The 2011 Pentagon Report titled, 'Military and Security Developments Involving the PRC, shows that the China South Sea Fleet has been carefully consolidated over the last few decades. Japan Vassal, in 2011 describes how China was spending its Military Modernization Program money. China moved money from its PLAN North Sea Fleet and used it to strengthen the South Sea Fleet. The shift in funds was intended to increase capability and establish a powerful military presence, which impacts international and regional competition over hegemony.

Mixed with gradual economic losses for other world powers, this amplified the competition between East and West. It's like a monkey with two bananas where each side is trying to hide their possessions from the other whilst trying to claim them for themselves. Timothy describes that Chinese economic growth has lead to the growing perception of blue water capable South Sea Fleet, which stem growing interest in the SCSR. By the late 1980s China started to shift its paradigm towards a robust capable navy for years to come, which resulted in its near monopoly over the Paracel Islands, acquired from Vietnam in 1974, along with occupation of islands in the Spratly Archipelago in 1988.

China has put into place a three-tier approach to fulfill its naval aspirations. The first phase is characterized by a sophisticated naval capacity restrained to the first chain of

⁴⁷ Military and Security Developments Involving the People's Republic of China, 2011,' Annual Report to Congress, http://www.defense.gov/pubs/pdfs/2011_cmpr_

islands, which stretches from Japan in the North to Taiwan and the Philippines in the South. This is followed by a second phase which seeks to build a regional capability to operate beyond the initial island chain which incorporates Guam, Indonesia, and Australia. The creation of a global force by the middle of the 21st century is the ultimate objective and final triad of the plan.

These efforts are intended to help further the ongoing efforts on national defense and armed forces modernization. The model sets the aim to have a firm base by 2010, accomplish substantial work by 2020, and reach the target of having informationized forces where warfare is conducted through information and digital means by the century's end.

China is shifting rapidly towards becoming a modern day maritime power and this is highlighted by the modernization of the PLAN with its increasing blend of nuclear and conventional defense capabilities.

The modernization efforts are bolstered with investment from China in new hardware and technology. The islands are envisioned in the three-island strategy as 'jinan' (inshore) and 'jinhai' (offshore) and defines three concentric circles in its sea control/denial maritime strategy for defending maritime interests and shipping lanes.

As of now, the PLAN are organized into 3 fleets, with the North Sea Fleet in Qingdao, the East Sea Fleet in Ningbo, and the South Sea Fleet in Zhanjiang. With time, it seems likely that these fleets will undergo more expansive transformational changes. In addition to the ten principal naval bases, these fleets command civilian support ships, aviation divisions, marine brigades, garrison commands, flotillas, along with fleet aviation support bases.

In the same manner as with the East Sea Fleet, China is likely to put more focus on the South Sea Fleet on account of increased perception of threats in the area. It has been reported that in recent times China's power is said to be shifting south towards the Sanya region of SCS, which is the southernmost point of Hainan Islands and is currently the site of construction for an automated underground nuclear submarine base.

The base, when completed, will have the capability to accommodate approximately twenty nuclear submarines and aircraft carriers, which can be fully mobilized during severe hostilities. Camouflage is provided by the set of new Type-094 SSBN

submarines which China has already stationed at this facility. Furthermore, China is greatly expanding the construction of patrolling vessels for controlling activity in the SCS.

The South Sea Fleet's amphibious warfare capabilities are expected to receive particular focus within the improvement efforts of the PLAN of China. Offensively and defensively, China is expecting to employ the largest submarine fleet in Asia for deterrent and supportive combat operations. Particularly noteworthy are the recent developments in China's three new classes of nuclear powered ballistic and attack submarines that are believed to possess advanced weapon systems.

Moreover, China has made significant deployments such as the Guangzhou destroyer and a new shipbuilding program which includes ballistic missile and nuclear attack submarines. In recent years, the South Sea Fleet has greatly enhanced its surface, subsurface, and air combat operations through extensive exercises which involve precision strikes using Surface combatants and anti-air missile defense services using submarines. Its naval arms are further strengthened by advanced radar and cruise missiles for anti-ship operations.

July 2009 Cooper identified China's expansion of naval strength with the augmentation of submarine assets and newly developed destroyers and frigates with the ability to employ mine attacks and ship-based air defense. These vessels will utilize stealth and fast missile attack craft to increase combat power. China plans to upgrade its nuclear force at sea and has a Type-094 class SSBN in service, assumed to have a range of 12,000 kilometers. There are also plans for advanced C4ISR capabilities which are to be expected between 2015 and 2020.

As a result of China flexing its naval capabilities, countries like Singapore, Indonesia, Vietnam, Malaysia, and others have felt the need to bolster their naval fleets. The U.S are the only nation left in contention with China's stranglehold over naval superiority. None of the other countries, even India which has been actively modernizing its navy, could come close to matching China.

There is no question that China is making advancements every day. This puts U.S superiority at stake. Chinese assertiveness in the SCS seeks to negate American as well as any other foreign intervention, regardless of its form. Their growing defense arsenal

will undoubtedly signal serves as a halos to hostile undertakings by USA and other superpowers.

Applying Defensive Realism to China's actions in SCS would indicate that their actions are targeting deterrence and security instead of land grabs. On the surface, these actions look militaristic, which is in fact a primary aspect of Defensive Realism that seeks to drive away threats, strengthen security, and encourage stability. Given this context, China appears reasonable and its maritime policies are defensive rather than aggressive.⁴⁸

2.8 China's Strategic Outlook

Addressing the disputes that China has with its neighboring countries over islands is a complex matter. It requires consideration of the nation's sovereignty, security, and territorial integrity. Employing diplomatic and non-violent methods towards resolving those disputes is of utmost importance. Engaging into lengthy disputes or militarily intervening with the nations involved may undermine China's defined political framework and the social stability of the world in terms of state sovereignty and territorial integrity.

Diplomatically, China faces its biggest challenge in crafting an ideal situation where state sovereignty, and territorial integrity exist in sain relation to China's political framework, and society as a whole.

China shares borders with 14 nations, including powerful ones like India and Russia. There are also disputes with Korea and Japan concerning maritime boundaries in the ECS, along with land boundaries in Desiao Yu Islands. In addition, there are disputes over borders and maritime boundaries with some Southeast Asian countries like Malaysia, Vietnam, and the Philippines, which are mainly about the islands in the SCS. All these issues illustrate the most important Chinese values and principles concerning territorial sovereignty and integrity.

The combination of territorial integrity and state sovereignty encompasses multiple territorial disputes both on land and at sea with bordering states which need to be addressed. China has made many diplomatic attempts in the past to these disputes in a peaceful manner. For example, China's conflict with India in 1962 led to a self-

⁴⁸ Cheng, S, *China's Foreign Policy: Challenges and Prospects* (Hong Kong: World Scientific, 2016).

defensive counterattack which showcased the danger of war in dealing with territorial issues. A peaceful solution of territorial disputes was however enhanced by the signing of the Russian-Chinese Boundary Treaty in 1999.⁴⁹

2.9 Enhancing Coordination among Maritime Actors in China's SCS under Xi Jinping's Administration

This section of the research examines China's policies on the SCS from 2009 onward with special interest in the coordination and coherence among different maritime stakeholders. The central issue is whether China's maritime policies come from an elaborate system or are driven by agency self-interest. It discusses the controversy over Hu's coordination problems and the changes which came with Xi's administrative policies while exploring different academic debates. The analysis also appreciates the difficulties of understanding China's policies owing to sophisticated nature of the Chinese political system.

Since the beginning of 2009, China has more aggressively pursued its claims to territories in the SCSR, using diplomatic, administrative, economic, and military measures to achieve dominance over these contested locations. The purpose of this study is to examine the degree of cooperation and coordination among China's maritime stakeholders and to determine if a cohesive strategy exists or if disorganized hyper-particularism is at play. The intricate nature of China's political system provides a formidable problem of understanding the coordination between various actors.

China's maritime domain is very strategic, though there are different scholarly viewpoints on the coordination of Chinese maritime stakeholders. According to Linda Jakobson, there seems to be a tendency towards a fragmentation of activity with no overarching state-sanctioned 'master plan' to govern it all. Conversely, Glaser Bonnie contends that higher-level policymakers are increasingly pulling the maritime actors into the system as a means to protect China's sovereignty and maritime interests.

Coordination issues preexisted during the Hu Jintao era, measures taken during the Xi Jinping administration saw marked improvements over inter-agency cooperation

⁴⁹ Sean M, 'China Releases a Position Paper in the Ongoing Philippines-China Arbitration,' (International Law, 2015). <https://www.lawfareblog.com/china-releases-position-paper-ongoing-philippines-china-arbitration>

among maritime actors. It concedes the obstacles stemming from China's political system and suggests there is a discernible trend towards improved integration.

China's strategy poses challenges which stem from a dearth of information and the complexity of how its policies are articulated. The vague character of China's strategy together with its internal policy contradictions makes it more difficult to evaluate actions of the agency as relating to the national policy.

Coordination among maritime actors is improving, which is an important development. While these actors might undertake rivalry, it usually does not challenge the overall plan of China. They all follow the broad orders of the Chinese Communist Party (CCP), which rigidly controls policy in the SCS. Xi Jinping is immensely influential on maritime actors as he strongly advocates a tougher stance than his predecessors towards policy enforcement. Reforms put in place by Xi, however, have created some internal strife and passive resistance within the China Coast Guard (CCG) and PLA institutions. As noted by Linda Jakobson, there is no doubt that the new CCG has been set up, but it has not carried out the unification of law enforcement functions. Also, there is no guarantee that military reforms will be carried out, as Xi expected. Common thinking holds that there is rising political volatility in China during the Party Congress, which usually leads to loosened control among maritime actors.

The PLA has strategic value. In the case studies explored, the PLA acted as the key apportioning unit among different participants. That said, how the PLA participates in policy formulation processes is unclear. With Xi Jinping's broad control and decisiveness, there is a warning to read too much into the PLA effects.

One also approaches China's behavior with much more mid to long-term scope. In the cases of the oil rig conflict as well as the land reclamation, actions by organizations like CNOOC and local governmental bodies were central to formulating a stricter policy. They were motivated by the need to exploit energy resources and assert sovereignty not just for domestic nationalist purposes, but also to diminish American power in the region by establishing irreversible realities, as was the case with Sansha City.⁵⁰

⁵⁰ Jiefangjun Bao, 'The Navy's Seventh Escort Task Force Enters the Motherland's Traditional Maritime Boundary,' 3 May 2011: 4

2.10 Conclusion

China's approach to the SCS has evolved in a complex manner since 2009, focusing on China's economic growth, selective military escalation, and national defense. Xi Jinping's policy change is more than just a response to regional changes, but it is enmeshed with national goals as well. China manages the dispute with its other regional neighbors while keeping the U.S out of the conversation by employing a dual strategy. This approach, however, focuses more on national sovereignty and territorial integrity. The policy, which is staged using diplomacy, administration, and military force, employs a 'Great Wall of Sand' strategy, wherein created artificial islands are armed with military and satellite surveillance as well as underwater tracking technologies, in conjunction with limited military surveillance, postponement of direct escalation, and use of advanced surveillance techniques. Freedom of navigation activities is something China does for show, and with the intention of masking the measures taken to seal off the borders while sending signals to the US and other players. China, in particular, has a multi-tiered approach oriented in region with administrative, diplomatic, and military dimensions. This component employs the use of diplomacy regarding the delays and pronouncements to the Foreign Ministry which obviates any active engagement. Administrative actions aim at further extending China's jurisdiction, especially in the enforcement and regulation of fishing which has aggressively intensified over the years and resulted in confrontations with vessels from other claimant states. China is known to actively discourage foreign energy companies from participating in seismic surveys within her waters and has adopted a more confrontational stance towards China's unrecognized resources within the SCS. From 2009 and on, there has been an increase in aggressive behavior, but China's answer at this point seems to have moderated in conflict China has to escalate. There have been some diplomatic negotiations that have provided certain guidelines on how such competition can be controlled and how further escalation over maritime disputes can be averted. China is signaling a willingness to prevent further escalations by moderating her activities – improving her image in the region and decreasing the negative influence of the United States. Analyzing these issues, we see that China's policy in the SCS is multifaceted and sophisticated because the country does not only reinforce its maritime claims but also engages in diplomatic maneuvers to diffuse tensions and minimize the level of conflict.

CHAPTER 3

U.S' INTERESTS IN THE SOUTH CHINA SEA REGION

The review examines American interests regarding the SCS as a region within the purview of the American Grand Strategy. Then, we will turn to a deep discussion of the security of U.S treaty allies and partners. Thereafter we will analyze the characteristics of the regional rules-based order. We will have a section dedicated to examining the SCS islands and military bases, with an eye toward understanding their strategic significance. This will set the stage for an in-depth exploration of U.S interests and other strategic factors in the SCSR. Additionally, we will examine U.S regional allies, examine the security architecture, and evaluate the consequences of Chinese control of the SCS. In the following sections, two core concepts, particularly the non-use of force and the principle of free use of the seas will be focused on. A complete analysis of the trade routes and hydrocarbons will highlight the nuances of economic correlations in the SCSR followed by a fuller picture of interdependent complexities of the system.⁵¹

This chapter is divided into nine sections, i) U.S ‘ Interests in the SCSR, as per Understanding of U.S ‘ Grand Strategy, ii) Analysis of U.S Interests and Strategic Considerations in the SCSR, iii) Role of Freedom of Navigation in U.S FP Amidst Regional Disputes in the SCSR, iv) Threats to U.S interests emanating from China’s policies in the SCSR, v) U.S -China Relations in the SCS: Navigating Complexities in Territorial Claims, Military Exercises, and Rule-Based Stability, vi) Rule-Based Stability in the SCS: Examining the Obama Administration’s Commitment and Its Broader Implications for U.S -China Relations, vii) U.S ‘ Military Dynamics in the SCSR and viii) U.S FP Shifts in the SCSR ix) Conclusion.

3.1 U.S’ Interests in the SCSR, as per Understanding of U.S’ Grand Strategy

We must not make assumptions about the extent of U.S interests in the SCS without establishing the causal links between this region and the fundamental U.S interests of security and prosperity. In this analysis, we commence by constraining our examination to the assumption that the U.S adheres to its current grand strategy, which delineates derivative interests in East Asia. These include U.S security contingent upon the

⁵¹ M. Taylor Fravel and Charles L. Glaser, ‘How Much Risk Should the United States Run in the South China Sea?,’ *International Security* 47, no. 2 (2022): 88–134.

security of its allies in the region and U.S prosperity through the facilitation of open trade, investment, and overall economic well-being. The pivotal question then centres on how the SCS impacts these derivative interests.⁵²

3.1.1 The Security of U.S' Treaty Allies and Partners

The United States' commitments to East Asia are primarily driven by the recognition that the security of U.S allies is integral to U.S security and prosperity. This conviction is notably evident in the U.S treaty commitments to Japan and South Korea, and to a lesser extent, the Philippines. While there is no official commitment to defend Taiwan, there is a general expectation that the U.S would intervene in the event of an unprovoked attack. The assessment of whether Taiwan constitutes a U.S security interest varies among analysts, with some viewing it as a primarily political-ideological interest, while others argue that protecting Taiwan is crucial to maintaining U.S credibility in the region or preserving essential U.S military capabilities.

The significance of the SCS to U.S wartime capabilities varies based on the country involved. Protecting Japan and South Korea does not necessitate traversing or engaging in combat in the SCS, as U.S forces can approach from alternative directions. On the other hand, protecting Taiwan and the Philippines relies on the SCSR, although recent developments in U.S long-range standoff missiles may reduce this dependency. SCS remains incredibly important strategically. Taiwan and the Philippines also need to be protected and safeguarded, which somewhat heavily depends upon having the U.S aids missiles. But further advancement in arsenal of long range standoff missiles by the U.S may relieve, though not wholly, this dependency.

Without military capabilities, the U.S central capability for deterring attacks on its allies goes beyond military things. A useful 'America will defend you' credibility is necessary, one America must not only have but arms to engage and the right policies to fight to defend allies. As a result, the next part investigates whether the growing waters of control of China and American responses weaken the credibility of the U.S claim.

The fact that the U.S has not been involved in East Asia as a dominator but as a counter ponder of the region confirms a central statement of the Defensive Realism theory: There is no unique power that possesses hegemony. The U.S considers its allies Japan,

⁵² M. Taylor Fravel and Charles L. Glaser, 'How Much Risk Should the United States Run in the South China Sea?', *International Security* 47, no. 2 (2022): 88–134.

South Korea, and the Philippines to border directly with the one that holds its security. But the involvement is more passive than actively engaging; there is a need to show strength in order to prevent assertive action, and this is what the U.S tends to do.⁵³

3.1.2 The Regional Rules-Based Order

The US is inextricably linked to maintaining the existing regional order, especially the rules-based system of East Asia, focusing on the UNCLOS. A few experts broaden this interest to include the American-led international order's post-World War II underpinning of abstaining from violent resolution of international conflicts. The US actively engage in a number of activities for which, in the opinion of many, the national interest is significantly focused on control and defense of allied countries and global maritime order.

This includes rights related to freedom of navigation and overflight. In times of peace, U.S military access to the SCS holds value for various purposes such as exercising naval and air capabilities, conducting training with allies, gathering intelligence, transiting to other theatres, and demonstrating commitment to the region. The open access to these waters is also foundational for the region's prosperity, relying heavily on seaborne transport for both intra-Southeast Asian trade and trade between Southeast Asia and U.S allies in Northeast Asia.

The significance of these rules and, consequently, the extent of U.S interest in the rules-based order hinge on their tangible implications. Firstly, their value is contingent on whether the U.S would indeed engage in conflict from the SCS. As China's Anti-Access/Area Denial capabilities advance, the risk associated with U.S surface ships and aircraft operations in the SCS during a large-scale conflict with China becomes increasingly unacceptable, particularly in its northern portion. This diminishes the military value of conducting exercises in the area. Secondly, the value of military exercises and related activities depends on the availability of alternative activities that offer similar benefits. For instance, U.S military presence, aimed at signaling commitment to the region, should ideally align with the commitment demonstrated through operations primarily east of the SCS, in the Philippine Sea.

⁵³ M. Taylor Fravel and Charles L. Glaser, 'How Much Risk Should the United States Run in the South China Sea?', *International Security* 47, no. 2 (2022): 88–134.

Not only does the compliance with norms by states safeguard rights, but it also minimizes the chances of unintended clashes by managing expectations. This is where UNCLOS comes into play; it assigns particular rights related to specific activities in maritime zones and resource harvesting. During peaceful times, these tacit agreements may help diminish military incidents, other political conflicts regarding US naval presence in the SCS, and mitigate crises involving China and other claimants, thus decreasing the probability of US involvement in conflict. On the other hand, if such understandings are not shared, rules may cause disputes or clashes, which is what is happening now in the SCS.

In the eyes of Defensive Realism, the right of free navigation and over flight is essential to attaining equilibrium, but they are less significant as an instrument of force application and more as a means to facilitate free commerce and serve as a deterrent. In this context, the region is not being militarily exercised for provocation, but as a demonstration of stability commitment. However, when taking into account China's emergence of A2/AD capabilities, Defensive Realism would maintain that a scaled-up military posture in such contested areas would foster an arms race rather than increased security.

The U.S encourages unintended escalations through the reinforcement of rules that align our expectations. In this way, UNCLOS serves as a framework of diminishing misinterpretations that might incite conflict, in alignment with the Defensive Realism concept of maintaining stability through formalized agreements rather than pandemonium power acquisition.⁵⁴

3.1.3 SCS Islands and Military Bases

While the features of the Spratly Islands themselves may hold minimal value for the United States, the strategic importance lies in having access to the resources of the SCS, encompassing fisheries and petroleum reserves. This access is particularly significant for U.S allies and partners, notably those with escalating energy needs and substantial domestic fishing industries, such as Vietnam and the Philippines.

The determination of whether the U.S has an interest in preventing China from establishing military bases on SCS islands hinges on the impact of such bases on the

⁵⁴ Charles L. Glaser, 'A U.S.-China Grand Bargain? The Hard Choice between Military Competition and Accommodation,' *International Security* 39, no. 4 (2015): 49–90.

United States' capacity to safeguard its allies and partners. An evaluation of the military value of China's Spratly bases, outlined in the subsequent section, concludes that these bases pose minimal threat to U.S military capabilities.

How much it matters that China has bases in the SCS is relevant only to the extent that it shifts the regional security balance. However, Defensive Realism or Unimultipolarity suggests that these bases are worrying, but do not significantly change the nature of U.S military capability. The U.S need not, aggressively, escalate its military presence, as long as deterrence remains credible and regional actors are ill at ease. Rather, it should concentrate on diplomatic and economic steps to offset Chinese belligerence.

3.2 Analysis of U.S Interests and Strategic Considerations in the SCSR

While the conflicts in the SCS concerning China and its neighbouring countries may initially be perceived as disputes between distant nations over inconspicuous rocks and reefs in the ocean, these maritime issues hold significance for the United States. The engagement of U.S interests in the SCS is motivated by various strategic, political, and economic considerations, encompassing but not strictly confined to those elaborated upon in the subsequent sections.⁵⁵

3.2.1 U.S Regional Allies, Security Architecture, and Implications of Chinese Dominance in the SCS

The SCS form critical geopolitical zone that directly impact U.S' interests in terms of regional alliances, security commitments, and potential strategic challenges.

The SCS, share borders with U.S treaty ally Philippines. Additionally, SCS, including the Taiwan Strait, are in proximity to Taiwan, where U.S security policies are governed by the Taiwan Relations Act. The SCS also borders Southeast Asian nations, such as Singapore, Vietnam, and Indonesia, which are current, emerging, or potential U.S partner countries.

It is possible that, during confrontation with the US, Chinese military facilities in the SCS could serve as part of an anti-access and area denial (A2/AD) barrier for the region, restricting American military movement past the first island chain. These bases could

⁵⁵ Charles L. Glaser, 'A U.S.-China Grand Bargain? The Hard Choice between Military Competition and Accommodation,' *International Security* 39, no. 4 (2015): 49–90.

also serve as a sanctuary for China's emerging naval strategic deterrent force, obstructing American strategic mobility. However, strikes on these bases could mitigate American force projection, but only for a short period, which would affect Chinese martial deployment during broader warfare.

The ability to exert Chinese control over the SCS and peripheral regions would permit Beijing to manage day to day activities such as fishing operations, oil and gas exploration, and the deployment of undersea cables. It would also facilitate breaches against neighboring countries which include, proclaiming air defense identification zones, enforcing exclusionary zones at sea, showcasing military power, and establishing dominance over the Eurasian region.

China being in control of the SCS constrains the US from actively undertaking military interventions, meeting defense treaty obligations with allies, or projecting power into the Western Pacific and also containing a would be regional superpower that seeks to take charge of the international order in the region. This diminished U.S ability may lead to a change of defense policies among other countries in the region, and transform the security architecture in the latter.

The fear is that China is trying to use disagreements in the SCS to create doubt about the reliability of the U.S in the minds of its allies and partners. This approach may ultimately undermine the U.S -led regional security architecture while increasing Chinese influence in the region.

Nevertheless, observers still are concerned that maritime territorial disputes could escalate into a China crisis or conflict and involve the U.S because of its security commitments under bilateral treaties with bilateral allies such as Japan and the Philippines.⁵⁶

3.2.2 Principle of Non-Use of Force

Following World War II, the U.S and its allies created a multi-layered international system built on the principle that force and coercive measures to settle disputes among states were off the table. The operational framework laid emphasis on using diplomatic and peaceful means for addressing the differences. But recently, there have been new

⁵⁶ Congressional Research Service, 'U.S.-China Strategic Competition in South and East China Seas: Background and Issues for Congress,' *Congressional Research Service*, Nov. 15, 2023, <https://crsreports.congress.gov/product/pdf/R/R42784>

concerns, especially in the SCS, where China is seen by some as ‘pushing the envelope,’ using force and other strong-arm tactics in violation of the status quo.

Meanwhile, eyes are upon Russia’s behavior in Ukraine, fuelling fears of a reassertion of the idea of ‘might is right’ in international relations. Such a re-emergence in decision-making on the basis of power can lead to the restructuring of the global geopolitical landscape into a chaotic where the most capable players by force condition the rules on the ground. It’s like a peaceful neighbourhood, but some elements are finding a different set of, a different set of rules, a different playbook to operate by.⁵⁷

3.2.3 Principle of Freedom of the Seas

The principle of freedom of the seas is another cornerstone of the post-World War II international order. This principle means resolving that the sea is international sea, that it is governed by international law that it is a common to the world and that operations that take place in it should be free. Often interchangeable with freedom of navigation, the term is also at times narrowly defined by some actors (and especially those not fully committed to upholding the principle) to just the passage in commercial vessels through sea areas. This narrow interpretation starkly differs from, for example, a broader understanding articulated in the Department of Defense’s (DOD) annual Freedom of Navigation (FONOP) report as ‘the rights, freedoms, and uses of the sea and airspace guaranteed to all nations by international law.

Freedom of the seas represents more than just the passage of civilian vessels through international waterways, the DOD stressed in 2015. While not specifically defined in international law, the Department uses the term to describe the full range of rights, freedoms, and lawful uses of the sea and airspace, including of military vessels and aircraft, recognized under international law. Because this broad interpretation is so important for ensuring access, especially during a crisis.

The concept of freedom of navigation and the idea of the oceans being free dates back roughly 400 years to the beginning of the 1600s. This concept was partially captured in Article 89 of UNCLOS which states, ‘No State may validly purport to subject any part of the high seas to its sovereignty.’ Freedom of seas has been one of the most

⁵⁷ Congressional Research Service, ‘U.S.-China Strategic Competition in South and East China Seas: Background and Issues for Congress,’ *Congressional Research Service*, Nov. 15, 2023, <https://crsreports.congress.gov/product/pdf/R/R42784>

dominating issues of concern in America. In 2018, the DOD noted that throughout American history a principal national interest has been the prevention of any power from dominating the seas and at any time, military forces were deployed to defend this interest. These included protecting U.S commercial vessels traversing the Atlantic Ocean and Mediterranean Sea, defending against maritime threats, and participation in conflicts including the War of 1812 and World War I in which ‘absolute freedom of navigation upon the seas...’ was acknowledged to be an international principle worth fighting to preserve.

President Franklin Roosevelt declared that our military forces had a ‘duty of maintaining the American policy of freedom of the seas.’ The DOD in 2019 reinforced this sentiment, declaring that, throughout its history, the U.S has promoted and fought for freedom of the seas. It is this commitment that has enshrined freedom of navigation as a key tenet of the rules-based international order over the past 75 years, one that has been vital to the global security, stability and prosperity of all nations.

Yet China’s understanding of the law of the sea and actions in the SCS raise the serious threat to freedom of the seas. Of particular concern are China’s nine-dash map of the SCS, its restrictive interpretation of freedom of navigation, and its assertion that coastal states are entitled to regulate the activities of foreign military forces in their EEZs.

Observers worry that challenges in the South China Sea could ripple out from this one region to challenge the U.S elsewhere in the world. International law is meant to apply everywhere, and the acceptance of a principle challenged in one part of the world could set a precedent for challenges in other parts. Any limitation or weakening of the principle of freedom of the seas would thus be a departure from the widely-accepted and long-established rule of international law that the world’s oceans are international waters, and would fundamentally transform the International legal regime over a large portion of the Earth’s surface from international waters to State sovereignty.

In short, if China’s position receives wider international endorsement, especially in the area of coastal states’ regulation of foreign military activities in their own EEZs, it has strong implications for U.S naval operations around the world. But with some 939 million square miles of the world’s oceans potentially subject to claim as EEZ, including waters of significant U.S Navy operating areas in the Western Pacific, the

Persian Gulf, and the Mediterranean Sea, the right of U.S naval forces to operate freely in those areas is vital. Any restrictions could necessitate substantial changes in U.S military strategy, FP goals, or overall grand strategy.⁵⁸

3.2.4 Trade Routes and Hydrocarbons

The SCS serves as a critical nexus for major commercial shipping routes, facilitating connections between the Western Pacific, the Indian Ocean, and the Persian Gulf. Notably, an estimated \$3.4 trillion worth of international shipping trade transited through the SCS annually as of 2016. The Department of Defense (DOD) underscores the strategic importance of the SCS in East Asian security considerations, particularly due to Northeast Asia's heavy reliance on the flow of oil and commerce through the region's shipping lanes. These lanes are instrumental in the transportation of over 80 percent of the crude oil destined for Japan, South Korea, and Taiwan.

Moreover, both the ECS and the SCS encompass areas with considerable potential for oil and gas exploration, adding further economic significance to these maritime regions.

As with many disagreements in the SCS involving China and its regional neighbors, the disputes may first appear to be over a collection of islands with scant water, but they carry strategic ramifications for the United States. According to Defensive Realism, U.S involvement with the SCS is motivated by the necessity to preserve regional order, deter security threats, and stave off changes in political balance that threaten its hegemonic status. Instead of seeking hegemony, the U.S pursues balance of power through security-based measures to avoid any one actor achieving uncontested regional dominance.⁵⁹

3.3 Role of Freedom of Navigation in U.S FP

Some American commentators have raised questions about the current prioritization of freedom of navigation in U.S foreign policy, particularly in a distant sea with disputed features claimed by various states. The argument revolves around whether the Sino-Japanese maritime disputes over the Diaoyu/Senkaku Islands, given U.S treaty obligations to Japan, are more crucial than the heightened focus on the SCS. Others

⁵⁸ Congressional Research Service, 'U.S.-China Strategic Competition in South and East China Seas: Background and Issues for Congress,' *Congressional Research Service*, Nov. 15, 2023, <https://crsreports.congress.gov/product/pdf/R/R42784>

⁵⁹ J. Michael Dahm, 'Introduction to South China Sea Military Capability Studies,' *Johns Hopkins Applied Physics Laboratory*, (2020): 17

suggest that the emphasis on the SCS appears exaggerated, especially when compared to longstanding U.S treaty commitments in Asia and engagements related to cross-strait issues and North Korea.

Conversely, an influential author contends that East Asia can be divided into two dominant regions: Northeast Asia, centered on the Korean peninsula, and Southeast Asia, dominated by the SCS. This perspective asserts that the struggle for primacy in the Western Pacific will shape U.S national security policy in the coming decade. While skepticism and hyperbole exist on both ends of the spectrum, the prevailing view in Washington leans towards a middle ground, emphasizing that the U.S holds a favorable diplomatic position. In the ongoing competition with China for influence in Asia, upholding the principles of freedom of navigation and peaceful dispute resolution benefits the U.S, as China's claim in the SCS is deemed untenable under international law.

The SCS issue serves as leverage for the U.S in its discussions and negotiations with China. As escalating rivalries in the region pose a significant security challenge in Sino-Southeast Asian relations, U.S support for basic principles and its security presence provide Southeast Asian countries ample reason to enhance bilateral relations with Washington. The U.S role is also viewed as supportive of ASEAN's cohesion.

From a security perspective, the U.S has implemented or planned responses to safeguard its interests in the region. The SCS is vital for the U.S, allowing free passage for its armed forces between the Pacific and Indian Oceans. Monitoring Chinese naval deployments is imperative, given China's expanding naval capabilities. While adjustments in U.S force posture are not solely linked to the SCS, the strategic importance of the region is acknowledged.

Economically, the U.S has significant interests in Southeast Asia and the SCS. More than half of the world's annual merchant fleet tonnage and about one-third of global maritime commerce pass through the SCS. The region also plays a crucial role in the energy supply chain, with a considerable percentage of oil and gas imports to China, South Korea, and Japan traversing this area. Southeast Asia represents a substantial investment of US\$160 billion by U.S companies and stands as America's fifth-largest trading partner.

While some may challenge the degree to which the SCS is prioritized, the theory of Defensive Realism emphasizes its importance as a strategy for the U.S to maintain its influence and limit the rise of regional powers. The U.S is not looking for a confrontation per se, but maintains a footprint in the region to ensure no actor can alter the regional security balance unilaterally.

The SCS is leverage in a broader U.S -China story, giving Washington a diplomatic negotiating position with Beijing and the opportunity to strengthen alliances with Southeast Asian countries. Defensive Realism encourages nations to stake their influence while maintaining restraint, and by reaffirming the tenets of freedom of navigation and peaceful resolution of disputes, the U.S reaffirms its status as a stabilizing power.⁶⁰

3.4 Threats to U.S Interests Emanating from China's Policies in the SCSR

Considering U.S objectives, the level of risk that China's ambition to rule over the SCS represents is an issue that elicits diverging views. The U.S challenges mostly stem from the additional Chinese military forces that are being integrated and modernized at the regional power projection level. Restrictions placed by China's newer A2/AD capabilities on America's ability to conduct a major war near China's coastline impact access from the SCS to Northeast Asia, which poses a significant challenge to the United States.

Although discussions often centre on the SCS, China's advanced A2/AD capabilities, to some extent, will hamper U.S efforts to defend allies such as South Korea and Japan, although to a much less degree. But concerning Taiwan, China's modernization of military forces has already lowered America's operational capabilities, encouraging China to expand its naval activity in the SCS.

China's creation of bases in the Spratly Islands is one region of great concern. In order to assess possible threats one needs to analyze scenarios such as the disruption of trade, war over Taiwan, conflict over a Spratly feature or some other regional conflict without U.S involvement. While the militarization of Spratly Islands adds to China's

⁶⁰ J. Michael Dahm, 'Introduction to South China Sea Military Capability Studies,' *Johns Hopkins Applied Physics Laboratory*, (2020): 17

capabilities, it does not seem likely to substantially change the results of a Spratly scenario.

The level of impact of U.S interests depends on some specific context, such as a conflict of interest between U.S and China or regional disputes which do not involve the U.S directly. While China's bases in the Spratly Islands improve its military capabilities, they may not be as significant considering that China has proven to be very competent with operating out of its mainland bases. The possibility of using Spratly bases as a fortress for China's ballistic missile submarines may influence U.S security concerns, but only to the degree which support undermining of China's second-strike capability.

The question of whether the Chinese playing field represents a threat to the SCS is definitely contextual though, and there are upper bounds on Chinese aims that must be said to stand alongside broad military consideration that can complicate any U.S approach in the region. Current debates are attempting to define the magnitude of these challenges and their implications for U.S security and strategic objectives.

China's military modernization, especially in A2/AD capabilities, present formidable challenges to U.S operations in the region. In contrast, Defensive Realism predicts that rather than matching China's efforts in terms of building up its own capabilities, the U.S is expected to continue strengthening its partners in the region, increase its naval presence there and bolster its deterrent efforts.⁶¹

3.5 U.S -China Relations in the SCS: Navigating Complexities in Territorial Claims, Military Exercises, and Rule-Based Stability

In the SCS, the strategic priorities of the U.S appear comparatively straightforward when juxtaposed with those of China. It is crucial to underscore that the perceived simplicity of these priorities does not diminish their importance or significance. Unlike China, the U.S has refrained from asserting territorial claims in the SCS. However, this distinction should not be misconstrued as a lack of strategic interests.

Initially, the U.S recognizes the need of carrying out non-violent military drills with bordering countries under the UNCLOS. Nevertheless, the U.S is remiss in regards to ratifying UNCLOS whereby its provisions cannot be legally enforced. Responses by China to such military drills showcase the perceived negative and hostile attitude

⁶¹ Andrew S. Erickson et al., 'Correspondence: How Good Are China's Antiaccess/Area-Denial Capabilities?' *International Security*, 41, no. 4 (2017): 202–213,

toward such exercises. Therefore, the one area in which the U.S and China deeply disagree on with regards to freedom of navigation within the SCS is naval simminus.

On the other hand, trade activities, particularly commercial shipping, is not something China has an inclination towards obstructing, but its main concern is ensuring those trade activities can be conducted without disruptions. On the other hand, the Unites States perceives sea processes in the Chinese EEZ as part of the high seas freedoms of navigation and is, moreover, busily guaranteeing freedom of navigation in the SCS including military activities in the EEZ of China which are friendly.

Another major consideration concerning in America's case is the requirement for all claimants to honor the principles of global law. Secretary of State John Kerry stated on Thursday that America has an actual interest in peace, security, lawful trade, respect of sovereignty, and freedom of navigation in the SCS. In this regard, the U.S absolutely opposes China's use of force to settle issues or change the existing state of affairs in the SCS. Law is set forth as the sole means to control the freedom of the sea. Moreover, the Obama administration has stressed that ensuring order in the SCS in accordance with established norms is, for the US, a vital interest. This reflects the support for a law and order policy approach to the region's problems.

Simultaneously, conducting military drills with regional partners demonstrates pre-existing obligations to security contracts, serving useful purposes in restraining China from exceeding its boundaries. The U.S maintains that such actions are justified to uphold balance in the region, even while China views them as incitements. Proponents of Defensive Realism bring up the fact that these measures are necessary to socio-political barriers on violence and destruction without creating excessive escalation.

To sum up, the U.S strategy in SCS is strongly defensive realism. They seek stability, avoid the emergence of a regional power, and do not enter conflict while managing competing forces. In spite of the rising confrontation, the American strategist pursues neither collision nor submission, but rather directs hope towards appropriate engagement and new instruments to avoid a domineering of the region by a single power.⁶²

⁶² Andrew S. Erickson et al., 'Correspondence: How Good Are China's Antiaccess/Area-Denial Capabilities?' *International Security*, 41, no. 4 (2017): 202–213,

3.6 Rule-Based Stability in the SCS: Obama Administration

Beginning in the summer of 2010, the Obama administration made it clear that establishing rule-based stability in the SCS is a foremost U.S national interest. This assertion was communicated through a mix of diplomatic activities and increased military interaction with the bordering nations in the SCS. The central objective of all efforts is the amicable and unforced settlement of issues related to ownership and the rights of the sea.

The U.S government actively pursues ‘freedom of navigation’ in the SCS, encompassing unimpeded lawful trade, commerce, and the exercise of high seas freedoms, particularly associated with non-hostile military activities within China’s EEZ. Acknowledging the regional perception that the SCS serves as a litmus test for its ‘rebalance to Asia’ strategy, the administration emphasizes the establishment of common legally based standards of behavior throughout the region.

The United States, bound by a defense treaty with the Philippines, faces the potential application of treaty provisions in the event of Chinese aggression against Philippine naval or coast guard vessels, the downing of Philippine military aircraft, or harm to members of the Philippine armed forces. The treaty’s language pertaining to attacks on the Philippines’ armed forces, public vessels, or aircraft in the Pacific implies its applicability in such scenarios.

While the SCSR remains important to U.S -China relations, it is not the only aspect that matters. China is heavily involved in vital global tasks such as dealing with the Iranian and North Korean nuclear programs, fighting climate change, ensuring peaceful business relations in the Taiwan Strait and ECS, and promoting trade, investment, and overall economic development. A broad variety of these significant issues clearly illustrate that the SCS must not be the prime center of focus for strategists when developing an overall U.S -China relationship.⁶³

From the perspective of a defensive realist, the U.S actions and policies in the region and abroad focused during the Obama Era would instead indicate rather than a counterbalancing policy, it is one of order-preservation. The aim of the US was to stave off what would surely result from unfettered expansion or the use of force to consolidate

⁶³ Dr Sahibzada Muhammad Usman and Yamama Khalid, ‘THE POSITION OF CHINA AND AMERICA IN THE SOUTH CHINA SEA,’ *NDU Journal*, (2021): 1-11

power – chaos. The focus instead turned to the utilization of international legal frameworks and diplomacy with relevant regional players. That policy, in isolation, would best describe the framing of China by the US as ‘great-power competition’. In Asia Policy, the competition and animosity between the U.S and China was defined through the lens of the region’s context. In actuality, the defensive realism perspective suggests that the U.S was not actively establishing control in the region (particularly over China), but rather trying to prevent any single power (especially China) from dominating and disrupting the balance of power.⁶⁴

3.7 U.S’ Military Dynamics in the SCSR

Analyzing America’s military operations in the Asia and Pacific regions, one comparison needed to be made. The U.S has tracked China’s increasing militarization within the SCS since 2010, but China has expanded its military power beyond that region into Northeast Asia, the Indian Ocean, and Western Pacific as well. And though China is making great strides, the U.S still reigns as the single most powerful military nation in the Asia and Pacific region, with plans to continue increasing their might.

Significant changes on America’s security strategy in the Asia-Pacific region was made under the term of Donald Trump. Perhaps the most conspicuous change was the transition from the ‘Obama era’ strategy of Asia-Pacific rebalancing to Indo-Pacific strategy. Where the original plan solely focused on the construction of military bases, the Indo Pacific strategy seeks the establishment of an all-encompassing defense network for the region. Such defense systems are representative of the approach to security in the Indo-Pacific as opposed to the more traditional systems of U.S mutual security agreements established during the Cold War.

Notably, the focus has moved away from just military presence to regional defence cooperation. This shift is strategically historic, marking a nuanced approach toward the pathway laid out by the Indo-Pacific policy. Some analysts now examine the odds of massive military confrontations between U.S and China in the Asia-Pacific. The potential for such conflicts depends not just on Chinese behavior, but on the China policy that U.S hawks will advocate. The two nations’ growing rivalry in the region could lead to military clashes.

⁶⁴ Linda, J., and Dean, K., ‘New Foreign Policy Actors in China,’ *Stockholm International Peace Research Institute (SIPRI) Policy Paper No. 26*, (2012).

Remember, China has said it wants to live in harmony with other nations, including the United States, and maintaining global prosperity is part of that. The expectations of both states significantly inform frameworks of their policies, in the Asia-Pacific setting.

In 2009, the Obama administration announced a pivot strategy to focus on greater American engagement in the Asia-Pacific region. Such commitment materialized by way of frequent visits by top officials and increased commitments within regional fora, peaking with the signing of the Association of South-East Asian Nations (ASEAN) Treaty and accession to its provisions. The ‘rebalance to Asia’ that followed in 2011 sought to formalize and enhance America’s role in response to increasing economic and political power of Asia.

The speed with which Asia was developing and increasing global weight encouraged scholars to call for increased attention and investments by the United States. Partisan differences aside, there was a bipartisan consensus that Asia mattered in American foreign policy.

The phrase ‘rebalancing’ reflected the rise of the region as a higher priority on the spectrum of U.S foreign policy, while allaying fears that the war on terror left the U.S footprint in the world too imbalanced. This pivot was especially important after the withdrawal of U.S forces from Iraq and Afghanistan, which released military and diplomatic bandwidth for the Asia-Pacific theatre.

China’s official reaction to U.S rebalancing strategy has included skepticism and concern due to ‘strategic trust’ deficits between Washington and Beijing. China said the fundamentals of its interests must be respected and called for stabilization of relations. In the face of U.S rebalancing, it was unclear how U.S action would affect China’s interests, thus, China instead concentrated on establishing a secure relationship with the U.S

Yet, China pursued territorial interests without embracing a more aggressive posture in territorial disputes. Instead, other countries, encouraged by U.S support, challenged China’s claims, forcing China to either give ground on sovereignty or respond aggressively. China reiterated its commitment to resolving disputes peacefully and urged the U.S not to intervene.

In regional maritime conflicts, the U.S remained neutral on the issue of ultimate jurisdiction but acknowledged Japan's administrative control over the Diaoyu/Senkaku islands. U.S officials endorsed ASEAN's efforts to negotiate a binding code of ethics for the SCS and encouraged China to pursue bilateral resolutions.

The overall consequence of these developments could lead to increased military buildup by China, American allies, and regional partners, potentially heightening political uncertainty in the region.

A defensive realist interpretation is also supported by the U.S military posture in the region. Although American military capabilities remained dominant, this shift from pure military-based presence to comprehensive Indo-Pacific strategy signals a balancing act in which the U.S now is trying to counterbalance the emerging Chinese threat to stability in the region. Defensive realism proposes that states go about seeking security not primarily through direct military confrontation, but through deterrence and balancing. The creation of regional defense networks instead of unilateral military dominance illustrates this theory.⁶⁵

3.8 U.S FP Shifts in the SCSR

U.S policy has changed a lot recently, and it has been implemented with the objective of achieving a favorable power balance in Southeast Asia. A combination of factors such as the SCS territorial issues, China's naval modernization, development of certain Spratly Islands, and North Korea's hostile activities all contributed to these changes. During his speech given to the Australian Parliament in 2011, President Obama commenced the United State's focus towards the Asia Pacific region by claiming that, 'the U.S will play a significant and prominent role in the future of Asia Pacific.' His government then declared a boost of engagement in the Asia Pacific and sought to change the region's economic and security policy architecture.

Although, the clear shift of American FP towards Southeast Asia can clearly be observe after the September 11, 2001 terrorist attacks. With President George W. Bush shifting his FP radar towards anti-terrorist operations, this was also expected during the administration that believed there was previously American bypassing of the region during Southeast Asia. This was indeed a side of Bush's constantly evolving plan which

⁶⁵ J. Michael Dahm, 'Introduction to South China Sea Military Capability Studies,' *Johns Hopkins Applied Physics Laboratory*, (2020): 17

he termed America's second front in the war on terror. The advancement of China at sea, primarily in the SCS, became a game changer. President Obama, who followed Bush, enhanced the attention on the region and implemented the thus-called 'Pivot to East Asia' regional strategy. It included protecting bilateral security partnerships, engaging emerging powers, joining regional-multilateral constellations, expanding trade and investment, developing a strong military footprint and promoting values around democracy and human rights.

U.S fears of China's territorial disputes with Vietnam and the Philippines gave the U.S justification to engage more deeply in regional affairs. Beijing's assertiveness in the SCS between 2009 and 2010 raised tensions and led Secretary of State Hillary Clinton to insert U.S support for freedom of navigation and compliance with international law in 2009 at the ASEAN forum, the SCS. This statement made the dispute international, sparking strong protests from Beijing. The former president's focus on peace in commercial lanes highlighted South East Asia's increasing importance in the U.S FP agenda.

Active U.S membership in multilateral regional institutions showcased Washington's robust engagement in Southeast Asian affairs. Concrete initiatives included the first-ever secretary-level delegation visit to the ASEAN Secretariat in 2010; the live appointment of a resident ambassador to ASEAN; President Obama's engagement in the East Asia Summit in 2011, and the convening of the US-ASEAN Summit in 2016 to address the contention in the SCS. This continued engagement, and the support for regional institutions in sorting out the Spratly Islands dispute is unprecedented evidence of U.S commitment to the region.

Scholars say that the U.S is not only engaging Southeast Asian affairs to mitigate conflicts. U.S intervention has been driven by a number of factors, including the desire to maintain freedom of navigation and flight, promote trade and commerce, reassure allies and partners, diplomatically resolve the Spratly Islands dispute, align claims with UNCLOS, and drive a rebalance in Southeast Asia. Namely, freedom of navigation re-emerges as one of the primary American interests, in accordance with its role as a 'security provider' of international waters pursuant to UNCLOS. These potentially thorny issues are made more so by China's different interpretation of the new law,

which seeks U.S permission before conducting any operations in disputed waters, and also raises security concerns for U.S ships operating in those waters.⁶⁶

The plane's traffic map is one more connected dot in the U.S's geopolitical interest in the SCS. Washington is also worried that Beijing may unilaterally declare an Air Defense Identification Zone (ADIZ) over the disputed waters similar to what has been done in ECS. Such fears only increase the existing skepticism Washington has regarding the circumstances.

The longer Beijing holds onto the so called 'Nine-Dash Line' claims, the harder it will be for them to abide international laws and norms along with the rest of the world which the U.S is systematically trying to uphold. The U.S cracks its whip, stressing that such claims are detrimental to the issued rights of other countries along with threatening to regional stability and security.

The U.S has initiated several initiatives to mitigate these challenges. These activities consist of conducting joint military exercises with regional states, augmenting the sale of military apparatus to these states, escalating military patrolling activities in disputed waters, signing new alliances, rejuvenating existing alliances, transferring substantial portions of maritime forces from Europe to the Asia-Pacific, deploying maritime patrol aircraft and UAVs, and boosting allocations in Singapore and Thailand.

A key element of U.S strategy has been to build ties with other regional claimants in order to maintain peace and stability and, at the same time, counter Chinese ambitions. The U.S understands the necessity of better ties, hence the U.S partners with each of the regional states in conflict with Beijing over access to the Spratly Islands. A united front among the U.S and its partners and allies in Southeast Asia is well understood as necessary to serve as a counterweight to China.

The growing tensions between Beijing and Manila underline the Philippines' metamorphosis from internal security to maritime security. As Manila and Washington look towards deeper cooperation, the U.S -Filipino Mutual Defense Treaty and Visiting Forces Agreement (VFA) also provide frameworks for them to deepen their relationship. Increased U.S presence under the VFA enables naval visits and military

⁶⁶ Shazia Mehboob, 'Sino-US Geostrategic Competition in the South China Sea: Contextualising Rivalries, Interests, and Strategies,' *Orient Research Journal of Social Sciences* 3, no. 2 (2018): 204-218

drills between the Philippines and the U.S, bolstering defense commitments. Importantly, the alliance prohibits Manila from signing analogous treaties with China. Both countries not only took up Beijing's assertive posture in the SCS, but also pledged to work to improve the bilateral relationship. This was also reflected in the discussions aimed at clarifying the U.S position towards the Mutual Defense Treaty (MUT).

An alternative perspective suggests that the U.S rebalancing policy not only benefits the Philippines in countering China but also proves advantageous for other regional states seeking partners to counterbalance Beijing. Dialogue between Manila and Washington includes enabling U.S forces' access to Philippine military bases and positioning equipment, with the U.S providing \$321 million in military assistance to Manila.

In addition, collectively contesting China's prominence in Southeast Asia proves the strengthening partnership between the U.S and Vietnam. Denoting the strengthening partnership is a military agreement, the first of its kind since the Vietnam War. The American and Vietnamese governments increased the pace of high-ranking visits, and in turn, Vietnam's Participation in the Trans Pacific Partnership (TPP) boost collaboration with America in other areas.⁶⁷

As part of the Defense Policy Dialogue (DPD), which is held annually, Vietnam and the U.S create a specific record for their relations, including a MoU covering five areas such as maritime and other security cooperation. In addition, the agreements on coast guard cooperation demonstrate the United States' willingness to formally train Vietnam's coast guards. In turn, Vietnam wants American assistance in the dispute over the Spratly Islands so as to be more active in regional politics.

Although Malaysia has not been an overly zealous claimant, its skepticism towards the ongoing disputes about the SCS does not go unnoticed. Relations between the U.S and Malaysia have deepened under the rebalancing policy of the United States, characterized by a 'comprehensive partnership' aimed at economic and security cooperation. Their partnership is reaffirmed through Malaysia's support for the

⁶⁷ Sean C. Croghan, 'The influence of enemies and friends: explaining US. policy changes in the south china sea,' *naval postgraduate school monterey, california* June 2021
<https://apps.dtic.mil/sti/trecms/pdf/AD1150908.pdf>

Proliferation Security Initiative (PSI), and joint efforts in the facilitation of international trade.

The U.S engagement with Southeast Asian states is further improved by Malaysia's role as the ASEAN chair in 2015, which fosters economic and security relations. This bilateral trade agreement responds to the needs of the U.S strategy in the area, which seeks to achieve collaboration and promote peace and prosperity.

The U.S evidently modified its policy toward Asia, paying more attention to it in response to a changing balance of power which is increasingly favorable to China. This includes initiating the trade war, moving forward with a number of defense projects, and strengthening alliance relationships in security arrangements with the Philippines and the Quad security dialogue. The change in governance policy aims to counter China diplomatically, strengthen ties with Asian allies, and keep the leadership of the region by the U.S which is most prominent with regards to the Philippines which is considered to be increasing in importance strategically.⁶⁸

The SCS has been a source of tension, with China conducting provocative acts that have included military encounters, land reclamation and the sinking of a Vietnamese fishing boat. U.S military deployments, like other responses, coincide with a shift in policy regarding territorial sovereignty. Historical track record shows that the U.S policy under pressure from external sources, i.e., allies and partners, and we can find them in Okinawa, Senkaku Islands, South Korea, Australia, and Singapore adjustments. Philippine threat (the potential to abrogate U.S access) was a direct influence in shaping U.S policy.

China's expanding interests in Asia, along with its economic and military power, has reduced U.S clout. The U.S change in policy reflects unequivocal backing for the Philippines and other south-east Asian countries faced with Chinese hegemony in the SCS. The 2020 sovereignty policy change closely parallels a pattern of Chinese belligerence and U.S responsiveness to escalating provocations. On the other hand, in relation to the U.S -Philippines Mutual Defense Treaty (MDT) policy shift, in addition

⁶⁸ Shazia Mehboob, 'Sino-US Geostrategic Competition in the South China Sea: Contextualising Rivalries, Interests, and Strategies,' *Orient Research Journal of Social Sciences* 3, no. 2 (2018): 204-218

to the power balance influence, what also mattered was the Philippines' demand for a revision, which attached to more pressure to clarify U.S defense commitments.

In summary, the U.S policy adjustments are a response to the changing balance of power, exacerbated by Chinese provocations and influenced by the demands of allies and partners. This dual consideration shapes the timing and nature of U.S policy changes in the Asia-Pacific region.

These broader change in U.S foreign policy—e.g., pivot to Asia, rebalancing—are also aligned with the tenets of defensive realism. These were defensive policies to build regional alliances and economic arrangements to deter China from establishing hegemony over Southeast Asia without pursuing an explicit containment policy. By engaging with ASEAN, backing international legal structures and strengthening regional military capabilities, the U.S followed a strategy aimed at preserving stability rather than instigating an arms race or regional conflict.⁶⁹

3.9 Conclusion

The United States' commitments to East Asia are based on the understanding that U.S security and prosperity are inextricably linked to the security of U.S allies. In the case of Taiwan, the evaluation differs, with some arguing that Taiwan is mainly a political-ideological issue, while others contend it is a core interest on par with American credibility of backstopping in the region. With access to the SCS being paramount to how well the U.S can protect allies like Taiwan and the Philippines, an assessment of U.S wartime capabilities is made — and what that may mean for credibility. In fact, the Spratly Islands themselves contain little of value to the United States: The value of the islands and atolls that make up the Spratlys primarily lie in their potential to open access to the resources of the SCS, which are strategic assets for allies with energy needs and large fishing industries like Vietnam and the Philippines. The evaluation of China's military bases in the Spratly Islands finds that they present a low threat to U.S

⁶⁹ J. Michael Dahm, 'Introduction to South China Sea Military Capability Studies,' *Johns Hopkins Applied Physics Laboratory*, (2020): 17

CHAPTER FOUR

POLITICAL IMPLICATIONS OF CHINA-U.S POWER DYNAMICS IN THE SOUTH CHINA SEA REGION

The U.S was initially comfortable with China's economic rise as long as it adhered to the Western economic and geopolitical order. However, China's maritime advancements and its reassertion of sovereignty over certain islands in the SCS have strained Sino-US relations. The first sign of this tension emerged during President Barack Obama's first term, marked by a strategic shift in U.S policy towards Southeast Asia. Since then, the political and strategic dynamics of the region have been continually influenced by the evolving Sino-US relationship. American concerns regarding China are that China might use military force to assert its territorial claims over disputed islands, China could exert political and diplomatic pressure on other claimants to abandon their claimed islands, Beijing could directly challenge the United States' dominant position in international waters and China could create problems for the EEZs (EEZ) of regional and extra-regional states⁷⁰

The chapter has been divided into four parts i) Power Politics Incidents in SCSR 2009-2022, ii) US Policies towards SCSR Since 2009 and iii) Political Implications of China-US Contestation for the SCSR iv) Conclusion

4.1 Power Politics Incidents in SCSR (2009-2022)

Several fait accompli actions undertaken by states claiming territories were strategically executed in anticipation of the May 2009 deadline for submitting their baseline claims of the extended continental shelf to the UN Commission on the Limits of the Continental Shelf (CLCS). The CLCS, being a scientific body, lacks authority in managing legal and political aspects of territorial disputes. However, these claims were imperative for states to maintain their rights over the territories, failure of which would lead to forfeiture of such claims. Consequently, this institutional and legal process reignited tensions among the claimant states. In order to adhere to the deadline, claimant states expedited the enactment of domestic legislation to justify their claims.

⁷⁰ Kei Koga, *Managing Great Power Politics ASEAN, Institutional Strategy, and the South China Sea*, (School of Social Sciences Nanyang Technological University Singapore, Singapore: 2022), 43.

The initial move was initiated by the Philippines when its Senate passed the third reading of HB 3216 on February 2, 2009). In anticipation of potential diplomatic repercussions, particularly from China, the Senate version of HB 3216 avoided specifying the names of atolls or shoals. Instead, it ambiguously described ‘a regime of islands under the Republic of the Philippines’ while remaining open to potential international arbitration on the Spratlys. Despite the Philippines’ assertion of sovereignty, this action elicited strong protests from China and Vietnam, contending that the inclusion of the Spratlys and Scarborough Shoal into the Philippines’ baselines would significantly strain their bilateral relations. On March 10, President Arroyo signed the Republic Act 9522, amending Republic Act 3046 and Republic Act 5446, to delineate the country’s baselines. This legislation categorized the Spratlys and Scarborough Shoal under the ‘Regime of Islands’ in accordance with Article 121 of UNCLOS, thereby acknowledging the territorial sea, but the extent of its contiguous zone, the EEZ, and continental shelf were contingent upon whether the ‘islands’ were classified as ‘rocks’ incapable of sustaining ‘human habitation or economic life of their own.’⁷¹

On March 15, 2009, China dispatched Yuzheng 311, its largest fisheries patrol vessel converted from a naval rescue vessel, to the Paracels. Promptly responding to this action, National Security Adviser Norberto Gonzales of the Philippines interpreted it as part of China’s reaction to the Philippine baseline law and advocated for diplomatic ‘self-restraint,’ as stipulated in the DOC, although press secretary Cerge Remonde attempted to downplay the tension by characterizing China’s action as diplomatic ‘posturing’. Subsequently, China announced its intention to bolster law enforcement capabilities against illegal fishing and other states’ ‘unfounded’ territorial claims by repurposing retired naval vessels into patrol ships. On April 13, China further reinforced its presence in the SCS by dispatching its largest patrol ship, Haixun 31, alongside two other major ships, demonstrating its resolve to augment its influence in the region.

⁷¹ Kei Koga, *Managing Great Power Politics ASEAN, Institutional Strategy, and the South China Sea*, (School of Social Sciences Nanyang Technological University Singapore, Singapore: 2022), 43.

At the same time, the U.S started worrying about China's behavior. Five Chinese boats surrounded the US naval ship Impeccable within 25 feet on March 8, 2009. The U.S had all but ignored China's terror in the late '90s and again in the early 2000s, believing that growing economic and military power was simply pushing the country to pursue a more aggressive foreign policy. On the contrary, China accused the U.S of violating international law by conducting reconnaissance of waters under China's jurisdiction without permission. These divergent perspectives derived from disparate interpretations of UNCLOS, which ambiguously delineated activities within the EEZ with 'due regard.' In line with its position at the ASEAN-China Summit in November, repeating its original diplomatic stance that the disputes were bilateral problems between China and a single claimant country rather than multilateral disputes involving China and the ASEAN as a whole, the U.S interpreted EEZs as international waters not requiring the coastal states' consent.

US apprehensions about China stemmed from the latter's geostrategic ambitions in Asia. A Chinese official purportedly asserted that the SCS constituted part of China's 'core interest,' akin to the significance of Hong Kong, Taiwan, and Tibet. During a bilateral meeting in March 2010, Jeffrey Bader, Director of Asia at the US National Security Council, and James Steinberg, Deputy Secretary of State, were informed that China would not countenance external interference in the SCS. According to Clinton, China's Secretary-General of the Foreign Affairs Leading Group, Dai Bingguo, underscored at the US-China Strategic and Economic Dialogue in May that China regarded the SCS as a 'core interest.' Nonetheless, the official status of these statements remained ambiguous, as they were neither corroborated by the Chinese government nor affirmed by senior Chinese officials. In response, US Defense Secretary Robert Gates alluded in his speech at the 2010 Shangri-La Dialogue to the 'growing concern' in the SCS regarding freedom of navigation and economic development, implying China's escalating assertiveness.

In the face of escalating tensions, certain ASEAN member states endeavoured to uphold the status quo multilaterally. Notably, Vietnam, among the most vocal claimant states and assuming the ASEAN chairmanship in 2010, sought to elevate the SCS issue on ASEAN's agenda despite China's insistence on refraining from multilateral discourse. Vietnamese Deputy FM Pham Quang Vinh assured member states that the ASEAN Summit would deliberate on 'everything and anything related to regional security'.

These strategic tensions culminated in a diplomatic showdown at the 2010 ARF. Twelve of the 27 participants, including Australia, Brunei, Indonesia, Japan, Malaysia, the Philippines, the United States, and Vietnam, deliberated on the territorial disputes.⁷²

4.1.1 The 2012 Scarborough Shoal Incident

The maritime tension reached a critical juncture from April to July 2012 with the Philippines-China naval standoff near Scarborough Shoal, coinciding with the unprecedented failure of the ASEAN Ministerial Meeting (AMM) to issue a communiqué. The escalation had early signs emerging in 2012. As Cambodia assumed the ASEAN chairmanship, it convened Senior Officials' Meetings (SOMs) on the SCS issue. However, some ASEAN members, particularly Indonesia, the Philippines, and Vietnam, sought to advance their proposals for an early conclusion of a Code of Conduct (COC) in the SCS. Nonetheless, Cambodia's reluctance to address the SCS disputes, driven by its deepening economic ties with China and its pursuit of neutrality, hindered progress. In March, Chinese President Hu Jintao's visit to Cambodia just before the April ASEAN meetings exerted implicit diplomatic pressure, emphasizing China's firm opposition to internationalizing the SCS issue and interference from non-claimant states.

At the same time, China received accusations from the Philippines and Vietnam over unilateral actions in the SCS several times. AMMAN — The Philippines on Thursday raised concerns over the presence of Chinese vessels, including a navy ship, near the Spratly island chain, home to a highly contentious oil-rich shoal. Vietnam denounced Chinese aggression against Vietnamese fishermen in the Paracel Islands in March. In turn, China expressed concerns over diplomatic moves by some ASEAN claimant states toward closer ties with the United States. For example, while the Philippines was seeking to strengthen security relations with the U.S through joint military exercises, China was casting doubt on the purpose of such exercises. And Vice President Xi Jinping warned Vietnam not to involve the U.S in the SCS territorial disputes.

Against this backdrop, Cambodia assumed a firm stance on ASEAN statements, emphasizing ASEAN's consensus-based decision-making process. During the formulation of ASEAN's joint statement, the Philippines and Vietnam pushed for

⁷² He, K., & Li, M, (2020). 'Understanding the dynamics of the Indo-Pacific: US-China strategic competition, regional actors and beyond,' *International Affairs* 96, no.1 (2020): 1–7. <https://doi.org/10.1093/ia/iiz242>

stronger language regarding the SCS, reflecting their escalating tensions with China. Despite Cambodian Prime Minister Hun Sen's denial of political influence from China, Cambodia faced challenges in directing ASEAN's discussions amidst mounting tensions. This became evident when the Philippines proposed its longstanding alternative of establishing ASEAN's own COC before engaging with China, supported by Vietnam at the ASEAN Summit in April. However, ASEAN leaders refrained from reaching an agreement, wary of provoking China.

Shortly after the ASEAN Summit, the Philippines-China standoff at Scarborough Shoal ensued. On April 8, Philippine naval surveillance discovered Chinese fishing vessels in the shoal's lagoon, leading to a standoff when the Philippine warship, BRP Gregorio del Pilar, intervened. The tension persisted through bilateral negotiations, but as talks stalled, China escalated by dispatching more vessels to the shoal.

The standoff intensified from April 20, with China deploying its advanced patrol ship to Scarborough Shoal in response to the Philippines' refusal to withdraw its coastguard ship. Despite attempts at de-escalation, including the withdrawal of some vessels in June, the situation remained tense, reflecting China's continued presence and the Philippines' dissatisfaction.

In June, China solidified its control by establishing Sansha, a new prefecture-level city, to administer disputed islands and set up a local military command unit. Amidst ASEAN disunity, Indonesia proposed the 'ASEAN 6-Point Principles on the SCS,' reaffirming collective principles while sidestepping the Scarborough Shoal incident.

Despite efforts to resolve tensions, the Scarborough Shoal incident underscored ASEAN's internal divisions and external pressures, hindering progress towards a Code of Conduct in 2012.⁷³

4.1.2 Major Strategic Events in the SCS, 2009–2012

From 2003 to 2012 tensions in the SCS region fluctuated according to the changing world perceptions of power dynamics. In particular, the Global Financial Crisis of 2008 had led to revaluations of the US as a unipolar declining power that affected regimes' visions of the future balance of power. Two major disruptive events occurred

⁷³ Koga, K, 'Japan's free and open Indo-Pacific vision under Suga: Transition and future challenges in Southeast Asia,' *East Asia Policy* 13, no. 3 (2021): 84–100.

during this period, in 2009: the harassment of the USNS Impeccable by a Chinese naval vessel in March, and the May deadline at which claimants were required to submit their respective baseline claims to the Commission on the Limits of the Continental Shelf (CLCS).

China's assertiveness in the SCS raised US concerns following the incident involving the USNS Impeccable, US fears about China's assertiveness in the SCS continued to grow. Although the U.S was experiencing economic setbacks, it felt obligated to keep a close eye on China's actions in East Asia. At the same time, the process by which states submitted claims to the CLCS was itself a formal legal process that required states to be clear about their territorial claims, which added to tensions among...

The 2010 comments made by US senior officials regarding China's claim of the SCS as a 'core interest' were contextualized in these events creating a chain reaction. It was also behind Secretary of State Hillary Clinton's clear articulation of US interests in the SCS during the 2010 ARF, which sparked a diplomatic spat with her Chinese counterpart Yang Jiechi. Hence, the competition between the US and China regarding the SCS grew more in the Obama administration.

Simultaneously, skirmishes at sea were noted to be more common than during the period from 2005 to 2008, peaking with the conflict that occurred at Scarborough Shoal in 2012 between the Philippines and China. This paragraph along with the subsequent one try to explain the sequence of events that makes the Chinese Conflict more intricate and complex during this period.

4.1.3 2013–2015: Legal and Military Confrontation

By the end of 2012, the Philippines had to deal with strategic inconveniences concerning its hygienic maintenance of the Philippines-China relations and ASEAN's multilateral negotiations for a Code of Conduct (COC) that provided no value. Most, if not all, of the efforts framed as restraining Chinese expansionism resulted in a political quandary for the Philippines. These options included Marshal Diplomacy Accommodation which bilateralism dominated- a politically unaffordable option given the emerging Chinese monopoly and assertion of sovereignty over the territory. So, there was alternative for the Philippines which was, it could file a case against China and seek arbitration under the UNCLOS on 22 January 2013.

China, on the other hand, was quite unhappy with the plan stating that the Chinese government should unilaterally negotiate dealing with the Philippines without further complicating the matter. Not mincing words, the Philippines would rather have the dispute settled by other parties and issued contradictory claims in the regards to wars nestled in the broad umbrella of SCS. As was to be expected, some ASEAN members were rather scathing in their opinion stating that the tense situation was more conducive to discussion accepting the right of the Philippines to request an arbitration.

The ‘political’, ‘diplomatic’, and ‘legal’ aspects incorporated into the dispute resolution method of The Philippines are referred to as the ‘three-track approach’. The Philippines engaged with ASEAN and kept communication open with China while seeking arbitration. The refusal from China to engage in arbitration along with other actions like the standoff at Scarborough Shoal with The Philippines and the continued aggressive Chinese expansion in the SCS increased hostility.

China’s overly assertive moves and a lack of internal cohesion within ASEAN complicated the democratic efforts of ASEAN, especially the COC talks and the division of naval exercises. This created an increasingly complicated situation owing to China’s purposeful attempts to divide ASEAN and weaken unity of the claimant states. Meanwhile under President Ferdinand Marcos Jr, The Philippines improved security ties with the USA which included a bilateral defense plan further worsening the tensions. Although the USA did support upholding global standards within The SCS, they offered no reason for military intervention which heightened hostility further. Hostility increased in 2014 and followed in confrontational engagements between China and Vietnam along with The Philippines over some territorial disputes. Joint statements and diplomatic initiatives attempted by ASEAN to address the situation were undermined by China’s refusal to submit to arbitration as well as by its suspect activity in the SCS.

Continuing land reclamation activities by China and the militarisation of disputed features in the SCS also heightened concerns in the region, leading to serious concerns being expressed by ASEAN and urging of restraint. The U.S held FONOPs in SCS to uphold international law, which Chinese felt as direct challenges to the legality of their claims, creating more tension.

After a series of serious incidents in SCS and tensions were intensifying, ASEAN-led diplomatic efforts in 2015 were directed to resolution of the SCS problem, which provoked alarm of several member states. At the ASEAN-China FMs' Meeting, differing views on the COC negotiations demonstrated the difficulty ASEAN has had maintaining unity in the face of Chinese assertive behaviour;

Nations continued their operations within the SCS, with the US and China exchanging increasingly heated words but also moving forward with diplomatic and military consultations, throwing their weight behind selected nations in the region in a bid to resolve issues peacefully but with little visible resolution gained.⁷⁴

4.1.4 2016: SCS Arbitral Award

SCS disputes have existed for years and had become a focal point of conflict between rising nations, leading to stiff diplomatic action and heightened contestation in 2016. During this period, two of the key players in the conflict: Japan and the United States, increased foreign relations initiatives towards China's antagonistic foes within ASEAN, primarily Vietnam and Philippines, in an effort to suppress Chinese dominance in the region. Alongside conducting FONOPs in the SCS and near the contention zones, U.S also relocated the ASEAN-US Summit to California, which brought with it the reinvigoration of postulations regarding maritime safety and enforcement of compliance to international laws such as the UNCLOS terms.

China was equally active in pursuing a engagement and consolidation strategy. Construction of an airstrip on Fiery Cross Reef and mounting anti-aircraft missiles on Woody Island provided China additional resources to reinforce their claim over the disputed territory. Meanwhile strengthening ties with Cambodia demonstrated China's authority and ability to mitigate damage from pending international legal disputes.

As a coordinator for ASEAN-China relations, Singapore exercised its persuasive role in championing a rules-based approach to stability in the SCS. Singapore suggested that

⁷⁴ Koga, K, "Quad 3.0: Japan, Indo-Pacific, and minilateralsim," *East Asian Policy* 14, no. 1, (2022): 20–38.

the Code for Unplanned Encounters at Sea (CUES), which is a protocol that governs the behavior of naval ships, be extended to coastguard ships, so that they may be regulated in the same way as warships to help avoid ‘maritime incidents’. But China’s diplomatic overtures sought to shift the positions of ASEAN members toward Beijing, seen in the ‘four-point consensus’ reached with Cambodia, Laos, and Brunei, though its legitimacy was questionable.

In this context, the Special ASEAN–China FMs’ Meeting in Kunming became a hotspot for discussion regarding the implementation of the Declaration on the Conduct of Parties in the SCS (DOC) and the forthcoming decision of the SCS Arbitral Tribunal. ASEAN’s voiced itself through Singapore, which reflected ASEAN concerns for wider regional stability through a call of working together to make peace, through a commitment of upholding international law.

SCS tensions complemented each other, as ASEAN failed to agree on a joint statement about developments in the SCS in the waning days of March. China’s proposal for a ‘10-point consensus’ that sought to deepen ASEAN–China relations highlighted the ever-widening disparity of interests within ASEAN vis-à-vis the SCS issue. The inability to bridge these gaps underscored the divisions within ASEAN, which China has deftly managed to exploit to its advantage.

In the subsequent response, however, China rejected the verdict of the SCS Arbitral Tribunal in favour of the Philippines which invalidated China’s historical claims in the SCS and underscored its violations of customary international law under UNCLOS, which only exacerbated the situation. So even though China rejected the ruling, it highlighted the illegal nature of its actions in the SCS so far as international coverage is concerned.

The events of 2016 highlighted the complexity of SCS disputes, with competing interests, diplomatic maneuvering, and the challenges of maintaining the rule of international law in the region as key facets shaping the regional landscape.

Though ASEAN has long championed international law, particularly the UNCLOS, the organization has found it difficult to adopt a cohesive position on the SCS (SCS, to which ASEAN redirects attention from the subjective term of SCS). Except for the Philippines and Vietnam, member states avoided directly supporting the arbitral award, choosing instead to stress the importance of resolving the dispute peacefully and

within the bounds of international law, including UNCLOS. China, however, stepped up its diplomacy to denounce the award, issuing a white paper reaffirming its position that disputes should be resolved through negotiation and proposing the establishment of an air defense identification zone (ADIZ) in the SCS.

In a conciliatory move by the Philippines' President Rodrigo Duterte after the positive arbitral award, he expressed willingness to talk about the SCS disputes with China. In response to this, China itself did the same and as a result, during the ASEAN Ministerial Meeting (AMM), ASEAN members could not agree on the direct mention of the arbitral award in the joint communiqué. Instead, the statement emphasized the need for non-militarization and restraint in activities like land reclamation. ASEAN and China later issued a joint statement re-affirming principles previously agreed to in the SCS.⁷⁵

Although the award affected China's attitude towards ASEAN, China was more concerned with speeding up negotiations on COC in SCS. This move was designed to ease tensions over the arbitration case and create a process that would allow for COC to be established by mid-2017. Both sides also discussed the establishment of mechanisms for communication, and agreed on the adoption of Confidence-building measures (CBMs) for the SCS, he added.

But China continued its policy of carrot-and-stick diplomacy, as demonstrated by its treatment of Singapore. It was roundly criticized by China for appearing to endorse the arbitral award, and saw bilateral ties souring in the wake of actions including the confiscation of Singaporean military vehicles. By contrast, Chinese then repaid the Philippines for nurturing closer ties, — giving economic assistance and settling fishing disagreements near Scarborough Shoal.

US-Phil Burnout The slowdown in US-Phil relations had an impact on the region as well. President Duterte's anger at US criticism of the Philippines' human rights record and military dependence reached boiling point over the cancellation of joint military exercises and the possibility of abrogating defense pacts. External actors, such as the US, Australia and Japan, shared opinions on the SCS with the EAS, which saw Chinese

⁷⁵ Koga, K, 'Japan's Indo-Pacific question: Countering China or shaping a new regional order?', *International*

officials warn against external involvement and declared the necessity of ASEAN cohesion.

In order to not repeat previous episodes, ASEAN is facing another diplomatic muddle when it failed to reach consensus inside a framework of EAS on mentioning the arbitral award in the EAS chairman's statement due to the involvement of great powers and conflicting interests, showcasing a peculiar phenomenon of great power tussle under ASEAN setup surrounding the SCS issue.

Tensions escalated in 2014 and involved confrontation between China, Vietnam and the Philippines over territorial claims. ASEAN's calls in the form of collective statements and diplomatic initiatives were undermined though by China's refusal to be bound by arbitration proceedings and ongoing assertiveness in the SCS.

China's militarization of features in the SCS, as well as their land reclamation activities, have caused serious concerns among ASEAN members who have reported a need for restraint. This was further complicated by the US FONOPs maneuvers in the SCS trying to undermine China's claims, further increasing regional tensions. In 2015, there was also growing concern among ASEAN members regarding rising tensions due to initiatives in other forums. During the ASEAN-China FMs' Meeting, ASEAN member states showed a lack of cohesion regarding FOC negotiations due to differing sides of the narrative which indicated China's dominance. Despite the minimal progress on sovereignty concerns by some nations, the SCSR remained in strife and boundaries were contested even with the ongoing US-China dialogue and FONOPs.⁷⁶

4.1.5 Major Strategic Events in the SCS, 2013–2016

The tussle over the Scarborough Shoal in 2012 shifted the gears in the SCS region. It became clear that the DOC would not be sufficient to continue to ensure stability, making its former largely favorable appraisal more and more untenable. As a result, in January 2013, the Philippines filed a case with the Arbitral Tribunal to resolve these matters. Following the Philippines' legal and diplomatic maneuvers, China pursued a strategy to drive a wedge through ASEAN, in an effort to depict a content-based reputation for its ASEAN policy. For example, at his visit to Southeast Asia, in October

⁷⁶ Ian Storey, 'Malaysia and the South China Sea Dispute: Policy Continuity amid Domestic Political Change,' *Yusuf Ishak Institute* 18, no. 18 (2020):1-11 https://www.iseas.edu.sg/wp-content/uploads/2020/02/ISEAS_Perspective_2020_18.pdf

2013, President Xi Jinping and Premier Li Keqiang put forward the ‘2+7 cooperative framework’. Yet, while appearing outwardly friendly towards ASEAN, China pushed ever further with its actions in the SCS. Clashes with Vietnam near the Paracel Islands in May 2014 sparked large anti-China demonstrations in Vietnam. But China continued its assertive posture. In December 2014, China did not submit a rebuttal to the Arbitral Tribunal but instead issued a position paper rejecting the tribunal’s legitimacy.⁷⁷

The tensions between China and the U.S intensified further and resulted in the first Freedom of Navigation Operation (FONOP) in the SCS conducted by the U.S in May 2015.

As the Arbitral Tribunal was about to deliver its ruling in 2016, China sought to create rifts among the ASEAN member states. ASEAN was confounded by China’s unilateral announcement of a ‘four-point consensus’ with Brunei, Cambodia and Laos. And in June, China attempted to introduce eleventh-hour changes to a joint statement at a Special ASEAN–China Foreign Ministers’ Meeting, jeopardizing ASEAN’s united position on the SCS.

In July, the Arbitral Tribunal handed down its ruling in favor of the Philippines which China immediately repudiated. The ruling was legally binding and fundamentally changed the strategic dynamic in the SCS, in spite of diplomatic pressure from China and disunity within ASEAN. Rejecting the ruling, China began seeking negotiated settlements with claimant states of ASEAN, including President Xi’s commitment to President Duterte not to militarize Scarborough Shoal last October.

A court ruling drawing international scrutiny didn’t immediately change the regional balance of power. But it did change the diplomatic balance between the claimant states. With international legs provided by the ruling, the Philippines could finally stand up to China’s moves in the SCS. Perils of military conflict still loomed without diplomatic talks but addressed the changing dynamics of the SCS standoff

In 2014, tensions flared between China and Vietnam, the Philippines and other countries over territorial disputes. China’s refusal to accept arbitration, for which it had opted out in the 15 years leading up to UNCLOS came into force, and its continued

⁷⁷ *Affairs* 96, no. 1, (2020): 49–73, <https://doi.org/10.1093/ia/iiz241>

assertiveness in the SCS stymied ASEAN's efforts to deal with the situation through joint statements and diplomatic initiatives.

The undertaking was not without its challenges: China's reclamation and militarization of disputed features in the SCS compounded regional concerns, leading ASEAN to 'convey [to China] serious concerns and call for restraint.' In response, the U.S performed FONOPs in the SCS to contest China's maritime claims, adding fuel to the fire.

After the 2015 ruling, other member states have been active at ASEAN-led diplomatic forums to address the SCS issue, especially showing concern about escalating tensions. Views on the COC negotiations were divergent at the ASEAN-China FMs' Meeting, highlighting both ASEAN's lack of cohesion in countering China's expansionist behaviour and its continued ability to play separate parts of its membership off against each other.

Through its diplomatic engagement and international pressure, such as US-China talks and FONOPs, the US tried to ease tensions in the SCS, but failed (or relatively failed) to resolve the disputes.⁷⁸

4.1.6 Search for a New Equilibrium (2017–2020)

When the Philippines assumed the chairmanship of (ASEAN) in 2017, a timely opportunity arose to address the SCS dispute. On the other hand, the Philippines refused to raise the arbitral award in the agenda of any ASEAN-led institutions, saying that issues should be resolved with China bilaterally and expressing concerns about productive fracturing of disputes and stability in the SCS. This impression straddled the Philippines's inclination towards bilateral engagement as demonstrated by President Duterte's claim in March 2017 that China had not involved itself in Philippine territory since his visit to Beijing in October 2016.

In addition, the Philippines sought to enhance economic engagement with China, including joint exploration projects in the SCS as reflected in the visit of Philippine energy firms to China National Offshore Oil Corporation (CNOOC). Through

⁷⁸ Tow, W, 'Minilateral security's relevance to US strategy in the Indo-Pacific: Challenges and prospects,' *The Pacific Review*, 32, no. 2 (2018): 232–244, <https://doi.org/10.1080/09512748.2018.1465457>

ASEAN, the Philippines sought to clinch the framework for the Code of Conduct (COC) by mid-2017, underscoring the need for key principles and elements of the document in its push for region-wide diplomacy. China's insistence on an informal rather than a legally binding COC created difficulty in COC negotiations despite some good effort on diplomatic efforts.

When confronted with ASEAN's concerns on militarization in the SCS, China adopted a dismissive approach, claiming its sovereign rights in accordance with international law and deeming ASEAN's unity on the issue as puffery. President Duterte engaged in occasional military posture by instructing the occupying of Philippine-claimed islands in the SCS to reclaim territory, backtracked under Chinese pressure. The Philippines, however, has continued its reinforcement efforts on Thitu Island to mark its determination to establish territorial jurisdiction.

There has been significant progress on the COC framework, with work on the first draft completed in March 2017. The potential for formal negotiations between ASEAN and China over the COC was announced in 2013, but significant issues remained, particularly regarding the legal status of the COC and its relation with the arbitral award. This led to ASEAN darling China and even the famous two-China when diplomatic tumult marred the China heap despite the adoption of a BCM (Bilateral Consultation Mechanism) through confidence-building measures between the Philippines and China.

But China's coercive behavior continued, including threats over Vietnam's drilling activities and offers to co-develop energy resources with the Philippines. Although ASEAN made attempts to address various concerns in joint communiqués, the persistent militarization of the SCS by China, as well as subsequent diplomatic maneuverings, suggested a persistent state of tensions.

This led to increasing external powers involved in the issue of SCS, primarily the U.S, which conducts FONOPs asserting that China's territorial claims lack legitimacy. The Territorial and Maritime Disputes in the SCS: People have closer ties with their neighbours than with those on other sides of the world evaluation. The SCS conflict, a contentious issue affecting regional geopolitics, similarly led to efforts to de-escalate tensions between the parties in the region and negotiate the COC, but ultimately

remained one of the sore points in the game of diplomacy between China and Southeast Asian countries, with political ramifications for stability and security in Southeast Asia.

2017 marked several significant international engagements to resolve the South China Sea (SCS) disputes. The US, Vietnam and ASEAN Secretary General Le Luong Minh further underscored the respect for international legal obligations and the need for an early conclusion to a legally binding Code of Conduct (COC) on state behaviour in the region. On the G7 FMs Meeting and Summit in 2017, they also affirmed the 2016 arbitral award as a key foundation for proprietary dispute resolution as it relates to peace and security, including diplomatic and legal means such as arbitration, providing direction in conjunction with international law.

Japan and the United Kingdom showed their military presence in the SCS. Japan sent its Maritime Self-Defense Force to participate in cooperation programs with ASEAN and the UK announced plans to do Freedom of Navigation Operations (FONOP) in the region. In addition, the Australia–Japan–U.S Trilateral Strategic Dialogue recognized the binding nature of the arbitral award on both the Philippines and China, called for compliance and urged an early conclusion of the COC.

Both ASEAN endeavored to solicit COC negotiations to expedite and celebrated its 15th anniversary of partnership with China in 2018. Efforts to reach a conclusion of the COC by conducting preparatory talks and joint meeting of the working group failed.⁷⁹

At the same time, the Philippines carried out through institutionalized dialogues with China on the SCS, including the potential for joint oil and gas exploration but also reaffirming its rights in the region. President Duterte reiterated the Philippines' position on asserting its rights and stakes in the SCS, and also defined red lines with which China could cause a conflict with the Philippines.

Vietnam experienced tensions with China after military activities of China in disputed areas. Despite calls by Vietnam for China to remove military equipment and protests against provocative activity, incidents continued, causing regional tensions to deepen.

⁷⁹ Satake, T, & Sahashi, R, 'The rise of China and Japan's 'vision' for free and open Indo-Pacific,' *Journal of Contemporary China*, 30, no. 127, (2021): 18–35, <https://doi.org/10.1080/10670564.2020.1766907>

In 2019, ASEAN and China made considerable progress in achieving the first reading of the Single Draft Negotiating Text (SDNT) in 11 rounds of discussions. Negotiations on a COC continue. Beijing underlined the binding character of the COC, while ASEAN member states expressed a commitment to compliance with. But events on the ground like clashes near Vanguard Bank and persistent militarization further illustrated the challenge of turning diplomatic advances into real stability.

While tensions remain high, however, initiatives to manage situations and improve confidence-building measures have accelerated, including suggestions for guidelines concerning maritime conflict management and increased channels of diplomatic communication. Despite diplomatic progress, incidents, such as maritime collisions and military exercises, continued, underscoring the sensitive nature of the SCS situation.

Overall, your answer details how international dealings towards solving the SCS disputes showed diplomatic progress in COC negotiations, but the international community still has hurdles to clear in order to get the SCS matter settled, driving home the complexities of the whole SCS issue.

This represents the sharpest change in Philippine diplomacy concerning SCS issues in recent years. While stability in the region was a constant feature of speech, ASEAN member states were worried about things like Chinese land reclamation and militarization. This gap in perceptions between ASEAN and Chinese leaders\ fell into dealing with the complexities of the SCS in all its forms. And so the Philippines went through a vigorous strategic alteration of its defense posture, which was demonstrated by the scope of the US–Philippines Mutual Defense Treaty as explained by Secretary Mike Pompeo. Pompeo’s announcement underwent an unprecedented shift in that it expressly tied the Philippines to its interests in the SCS, as opposed to the previous policy of significant ambiguity that had defined a good deal of much of the policy.

Tensions started escalating in 2014 when China started confronting Vietnam and The Philippines over the issue of sovereignty. China’s stubbornness to engage in the arbitration process, along with her persistent aggressiveness in the SCS, greatly restricted what ASEAN could do to resolve the issue with joint statements and diplomatic action.

China's continued reclamation and militarization of features it occupies in the SCS have alarmed the region, prompting ASEAN to express deep concern and urge restraint. U.S (FONOPs) in the SCS to contest Chinese maritime claims deepened such tensions.

On 2015, more worries regarding the conflict of the SCS surfaced through ASEAN-led diplomacy in multilateral aero-accommodating forums and dialogues, where member states started to work on these issues together. The ASEAN-China FMs' meeting is a perfect example of these multilateral platforms. During the meeting, the positions put forward by China and ASEAN countries regarding the negotiations of the COC illustrate how ASEAN member states fail to muster a consolidated stance to China's growing aggressive demeanor.

In regard to the SCS disputes, there was very little change from the American or Chinese side and even less after the FONOPs or Sino-American talks, which was still done. The combination of these factors resulted in some decrease of the tension, but not nearly enough change in the territorial conflicts. In contrast, there was a marked increase of US FONOPs in SCS, suggesting an uptick of US interest and involvement in the area. The US posture of providing some clarification on its defense obligations suggested a united stance against undue maritime claim. Furthermore, as algorithm controlled operational boundaries are pushed back significantly by the US military, fierce unopposed actions are expected. Pompeo further added that China has aggressively intervened against ASEAN bloc members looking to extract natural gas in the SCS. The US, aside from the aggressive direct military stance, shifted to supporting ASEAN in joint military exercises and capabilities strengthening.⁸⁰

Initially, the shift in the SCS territorial dynamics led to an increase in tensions and diplomate disputes coming from both China and the ASEAN member states. Chinese officials denounced American meddling and arguing intrusion into domestic affairs while some ASEAN member states feared China would start acting more assertively. One of the more moderate approaches was undertaken by Malaysia as this country sought to actively engage China through ASEAN while simultaneously litigating its territory claims in international courts. Attempts to de-escalate the conflict recognize

⁸⁰ Peter Gries, 'Humanitarian hawk meets rising dragon: Obama's legacy in US China policy,' *United States in the Indo-Pacific*, 2020: 29-43.
<https://research.manchester.ac.uk/en/publications/humanitarian-hawk-meets-rising-dragon-obamas-legacy-in-us-china-p>

that there are legal, strategic ambiguities, and an increasing US China rivalry that makes so many issues, time, and the victor in these fights quite inconsistent.

The changing nature of the SCS disputes signals a mix of diplomatic wrangling, strategic calculations, and great power competition. Growing tensions and strategic ambiguities have been amplified by the changing posture of the Philippines and the response of the United States. With such competing interests and attempts to enforce sovereignty, the future of the SCS remains contested, with far-reaching consequences for regional equilibrium and the world's political landscape.

Many people know that the SCS is an important area for geopolitics given competing claims over territory, resources, and interests, but is it really THE most critical in geopolitics? ASEAN is extremely important in enabling dialogue and conflict resolution between claimant states. The COVID-19 pandemic, however, has strained diplomatic priorities and complicated the approach to SCS disputes.

Vietnam became the chair of ASEAN in 2020, which focused more attention within ASEAN-led forums on the SCS Issue. With China's activities near the Paracels, the Vietnamese leaders expected disputes in the region to escalate further, and urged vigilance. In such a scenario, Vietnam cheered the pace towards negotiations on a Code of Conduct (COC), a reflection of Vietnam's insistence on addressing SCS disagreements through the mechanisms of ASEAN.

Indonesia accused China of illegally entering its EEZ and demanded that China respect Indonesia's sovereignty and international law. From diplomatic protests to assertive measures, Indonesia conveyed its resolve to protect its maritime interests. But difficulties in turning diplomatic conversations into verifiable actions underscored the complexities of enforcing maritime rules in a time of rising tensions.

However, the COC negotiation process and ASEAN-led forums were delayed and sidelined due to the COVID-19 pandemic, with states prioritizing pandemic response rather than the COC process. Delays and virtual discussions prevented substantial engagement, with questions about whether the COC would be finalized in a timely manner. The need for in-person interaction was particularly highlighted during the

challenges of adapting to virtual platforms amidst Collective Bargaining and trust-building efforts.⁸¹

Moving vessels suffered incidents at sea even when all nations had tried their best to contain the pandemic. The Chinese boats colliding with Vietnamese fishing boats served as an example of ever continuing hostility. In trying to deal with the scary reality of a global pandemic, the Chinese government did overstep some territorial bounds which did bring them international reproaches.

The world, and especially China's neighbors, were very concerned about its actions such as military patrols around the reefs and islands it has claimed, along with the administrative divisions it has constructed in Sansha City, and the naming of islands and building of China's maritime facilities in proximity to Vietnam and Malaysia. These moves diplomatically contest the SCS's existing order and assert China's sovereignty for control over the entire region militarily.

Legal and diplomatic disputes have been filed against China's overreaching claims, especially by the U.S and some Asian countries. The region's rejection of China's aggression is illustrated by the confirmation of the 2016 arbitration award, opposition to the so-called nine-dash line, and diplomatic rebukes of China's hostile activities. Nonetheless, ASEAN members differ in their FP strategies which highlights the intensity of geopolitical competition and the diversely defined objectives throughout the region. Increasing tension in the SCS is having a detrimental impact on regional peace and stability. While the legal and diplomatic responses indicate pushback against China's aggressive stance, the absence of agreement within ASEAN countries and ineffective enforcement mechanisms suggest there is an urgent call for dialogue and multilateralism to prevent conflict escalation and maintain peace in the region.

ASEAN nations continue to pursue diplomacy as part of their active balancing efforts in the SCS. As China has been more constructive with the aiming external COC negotiation to limit direct involvement into SCS affairs, US diplomacy has been more aggressive with China. From October 11-15, Chinese FM Wang Yi was in the region to visit several ASEAN member states including Cambodia, Malaysia, Laos, Thailand

⁸¹ Elizabeth Economy, *The Struggle for Power: U.S.-China Relations in the 21st Century*, Chapter 3: Reimagining engagement.

and Singapore where he emphasized the need for ASEAN centrality to curb external interference in SCS. In November, Chinese Premier Li Keqiang was also noted urging for progress on COC discussions asserting that ASEAN and China ‘are able to deal with the situation of SCS disputes’. He expressed that China is open to organizing a face-to-face meeting, but did not specify time frame.

In comparison, for ASEAN members this is an opportunity to accelerate the discussions for COC. Others, such as Vietnam, the Philippines, and Indonesia, uphold their legal position in opposition to China’s maritime claims, notably its Nine-Dash Line. That escalated tensions in 2014, with confrontations between China and both Vietnam and the Philippines over territorial disputes. As China opposed arbitration and continue to assert aggressively in the SCS, the efforts of ASEAN to address the issue through joint statements and diplomatic initiatives were proved ineffectual.

The ongoing land reclamation activities and militarization of disputed features carried out by China continues to raise concerns among the region and ASEAN has called for restraint and expressed serious concerns. FONOPs were conducted by the U.S in the SCS to contest China’s interpretation of maritime law, which added to the tensions.

During 2015, ASEAN-led forums became the venue for raising concerns about growing tensions in the SCS among ASEAN member states. The ASEAN-China FMs’ Meeting also reflected divergent views on the COC negotiations amid ASEAN struggling to maintain its unity in the face of assertive behaviour by China.

Tensions in the SCS remained high, with no substantial improvement in treating the disputes despite diplomatic bilaterals and international pressure (such as US-China meetings and FONOPs).⁸²

4.1.7 Major Strategic Events in the SCS, 2017–2020

The 2016 ruling of the Arbitral Tribunal over SCS opened up a new strategic option for ASEAN claimant states in engaging China. Still, the Philippines, which has limited military means and is unclear on whether it will be supported by the U.S and other powers, are hesitant to enforce the ruling. Though the US under the Trump

⁸² Adam Gerval and Mark Henderson, ‘US Policy in the South China Sea Across Three Administrations,’ *E-International Relations* (2022): 1-11.
<https://www.e-ir.info/2022/06/27/us-policy-in-the-south-china-sea-across-three-administrations/>

administration transitioned into a phase of strategic competition with China, it was not apparent the U.S was conceptually committed to the SCS issue, particularly given Trump's absence from ASEAN-led forums. As well as this, the fact that the arbitration was bilateral meant that a number of ASEAN states, such as Cambodia, were disincentivised from discussing it in a multilateral context, prompting ASEAN to avoid a collective addressing of the ruling.

Nonetheless, both China and ASEAN expressed a readiness to finalize a COC after the ruling. China attempted to redirect attention from the arbitration, and ASEAN wished for a peaceful settlement without coercive means. Although slow progress was made between 2017 and 2019, these were nevertheless positive steps, which included the approval of a framework for a COC in August 2017, a Single Draft Negotiating Text (SDNT) in August 2018, and the first reading of said SDNT in July 2019. Still, questions lingered over aspects, such as whether the COC would be legally binding and how it would handle the 2016 ruling.

China and the Southeast Asian states prioritized their pandemic-related response over their diplomatic affairs, derailing COC negotiations during the COVID-19 pandemic in 2020. In-person meetings were halted, dragging negotiations. Moreover, the legal controversy surrounding the SCS was renewed after Malaysia's submission of its territorial claims, which some countries have rejected China's claims. Even with the pandemic, tensions in the SCS did not abate as claimant states engaged in military exercises and skirmishes, resulting in US economic sanctions on Chinese companies engaged in SCS activities.

The US also called on ASEAN to take similar measures, which it declined, and in response China called for resumption and conclusion of COC negotiations by accelerating the process. But the extended pandemic, especially with new variants, pushed the timeline for COC negotiations back.

Rising tensions in 2014 led to clashes between China and Vietnam and China and the Philippines over territorial claims. ASEAN's efforts to address the situation through (joint) statements and diplomatic initiatives were complicated by China's rejection of arbitration and its continued assertiveness in the SCS.

Beijing's continued land reclamation and militarisation of disputed features increased regional concerns, which was met by serious concern and calls for restraint from

ASEAN. Despite its claims, China has faced challenges from the U.S and other nations regarding its territorial sovereignty and EEZ rights in the SCS, including the U.S conducting FONOPs to contest China's maritime claims, and Vietnam conducting FONOPs of its own.

In 2015, SCS issue was discussed in the context of increasing tensions at ASEAN led forums, where member states conveyed their concerns. This was reflected in the divergent perspectives expressed in the ASEAN-China FMs' Meeting with regard to the progress of the COC negotiations, demonstrating ASEAN's difficulty maintaining consensus amid China's more assertive actions.

Ultimately, discussions like these did little to resolve tensions in the SCS, with the US still pursuing its Freedom of Navigation Operation (FONOP) and both it and China continuing to make military moves throughout the region.⁸³

4.2 US Policies towards SCSR Since 2009

The U.S under President Donald Trump demonstrated relatively less engagement in Southeast Asia than under the Obama administration. Still, American involvement in the region was significant. The U.S continued to rank on top for total FDI in Southeast Asia, according to figures that were similar to the FDI indicators from major economic players such as the European Union, China, Japan and South Korea. Furthermore, the US-ASEAN trade relations remained strong, with the U.S as the region's second biggest trading partner. The high number of American companies registered in ASEAN countries also reflected the continued economic relationships. A landmark change to US-Southeast Asia relations took place with the Philippines in the 21st century. Although the Enhanced Defense Cooperation Agreement was signed during the Obama administration in 2014, President Rodrigo Duterte's rise to power in 2016 represented a significant departure from US leadership under President Obama. Duterte's government favored a closer alignment with China, but without any significant military cooperation. Relations improved somewhat under the Trump administration, though under threat of a ban on American warships from Philippine ports. There came President Joe Biden and an emphasis of promoting democracy, which

⁸³ Evelyn Goh, 'Great Powers and Hierarchical Order in Southeast Asia: Analyzing Regional Security Strategies', *International Security* 32, no. 3 (2007): 113–57.

would bring the Philippines closer to the United States. But Duterte's continuing popularity and the existence of nationalist factions that question the American military presence in the country might make such a realignment more difficult. Vietnam had become a possible ally of the United States, based on longstanding distrust of China. This historic tension, however, has been challenged since the Obama administration, which sought reconciliation between US leadership and the Communist Party of Vietnam. Indonesia took a strategic autonomy position but reacted negatively to great power relations in its region. President Joko Widodo's infrastructure development program dovetailed with China's Belt and Road Initiative, even as he showed interest in stable relations with the United States. Historically, Thailand has been central to US policy in Southeast Asia, especially regarding military cooperation. But relations soured following political turmoil in both 2006 and 2014, and US-Thailand military ties fell into a downturn. Nonetheless, Thailand remained engaged in regional security undertakings. Singapore has not been an official US ally, but it has had close security relations with Washington. In both cases, engagement with Laos, Cambodia and Myanmar remained relatively limited. Navigating the religious disputes, ethnic tensions, crime, terrorism, and income disparity of Southeast Asia can be pursued in many ways. The inherent duality of these dynamics has led each US administration to try and formulate its own customized strategy to the region.

Tensions escalated in 2014, leading to confrontations between China and Vietnam, and the Philippines, over territorial disputes. However, China's unwillingness to engage in dispute resolution and its unabated aggressiveness in the SCS have hampered ASEAN efforts to contain the situation through joint statements and quiet diplomacy.

China's continued land reclamation and militarization of disputed features raised regional apprehensions, with ASEAN serious concerns and advises restraint. The U.S responded with the so-called FONOPs (FONOPs) in the SCS, which challenged China's decadent maritime claims but only escalated tensions even more.⁸⁴

In August 2015, ASEAN-led forums agreed to take on the SCS issue diplomatically, in the face of criticism amongst member states over increasing tensions in the region. Despite all the diplomatic engagements, international pressure (US and China talks)

⁸⁴ Cheng-Chwee Kuik, 'How Do Weaker States Hedge? Unpacking ASEAN States' Alignment Behavior towards China', *Journal of Contemporary China* 25, no. 100 (2016): 500–514.

and FONOPs, the SCS tensions continued without the goal of the disputes reaching a significant turning point.

4.2.1 Barack Obama Administration

Subject to Obama administration, U.S had a strong focus on diplomatic approach towards South East Asia. Ensuring beneficial relations with international organizations was a priority of the administration; so, too, was its approach to Southeast Asian countries. That was a breakthrough in bilateral relations, leading to the signing of the Treaty of Friendship and Cooperation by the US and ASEAN in 2009. The U.S also posted an ambassador to ASEAN and hosted a series of summits on US-ASEAN relations. The U.S also became a member of the East Asia Summit and started attending ASEAN Defence Ministers' Meetings Plus (ADMM-Plus). Indeed, the administration aimed to build relationships with new partners, highlighted by efforts to establish diplomatic relations with Laos and a historic visit there by President Obama. President Obama's administration emphasized engagement with individual Southeast Asian countries as well. For example, Secretary of State Hillary Clinton's visit to Myanmar in 2011 was the first by a top U.S diplomat in more than 50 years. President Obama visited the region on several occasions over the course of his 2 terms, highlighting its significance to US foreign policy. In a sign of the warming relations, the administration ended the arms embargo on Vietnam — in place since 1984 — in 2016. Southeast Asia Factored Significantly in U.S Asia Pivot Policy, with the Trans-Pacific Partnership (TPP) Emerging as the Economic Cornerstone of the Pivot. The TPP was supposed to set up free trade zones with Southeast Asian nations like Malaysia and Vietnam. The fear of a divided ASEAN arose especially following the exclusion of Indonesia and Thailand from the TPP. These efforts notwithstanding, skepticism began to develop in the region as to how serious US intentions were under the Pivot policy, especially since the US continued to hold back from intervening when China behaved aggressively towards countries such as the Philippines and Vietnam in the SCS. Consequently, countries in Southeast Asia took a more careful approach to relations with China.⁸⁵

Tensions flared in 2014 as China clashed with both Vietnam and the Philippines over territorial disputes. China's refusal to participate in arbitration in regards to the SCS

⁸⁵ Robert O. Keohane and Joseph Nye, *Power and Interdependence* (Boston, MA: Little Brown, 1977).

and its continued assertive behavior in the region did not help ASEAN either, which found itself unfavorably positioned as it tried to address the situation through joint statements and diplomatic initiatives. ASEAN voiced serious concerns about China's extensive land reclamation activities and militarization of the contested features in the SCS which is a concern for many nations in the region. The US FONOPs in the SCS also further strained relations as they sought to counter China's aggressive sea claim.

However, tensions continued to escalate until 2015, when ASEAN-led diplomatic efforts to address the SCS issue coalesced, and member states voiced concerns over rising tensions. ASEAN's struggles to present a unified front in the face of China's territorial assertiveness was reflected in the different perspectives on the COC negotiations at this year's ASEAN-China FMs' Meeting. Despite diplomatic efforts and international pressure during the 2010s, including the US-China Talks and FONOPs, tensions in the SCS remained high with no resolution in sight.

4.2.2 D.J. Trump Administration

During Donald Trump's administration, the approach to engaging with Southeast Asia shifted. Cooperation with the U.S continued if countries were willing to collaborate on specific issues, but ASEAN lost prominence in American strategy for the Asia-Pacific region. Instead, the focus turned to forging tailored relationships with friendly nations, aimed at countering China's influence. This shift led to a cooling of relations with Southeast Asian countries not drawn to great power rivalry. While American documents expressed support for the region, key officials often skipped regional meetings, and cooperation became sporadic. Unlike the Obama era, Trump's team favoured bilateral over multilateral ties and embraced elements of protectionism in economic policies. Some nations, like Singapore, lacked a US ambassador during Trump's tenure. However, initiatives like the Southeast Asia Maritime Security Initiative and the Asia-Pacific Security Initiative were launched. The 'America first' doctrine raised concerns in Southeast Asia, though its non-interference principle resonated with ASEAN's values. Trump introduced the Free and Open Indo-Pacific concept, seen as aimed at containing China with less focus on Southeast Asia. Amidst rhetoric about US-China confrontation, including in official strategies like the National Security and Defence Strategies, the Indo-Pacific concept was viewed as divisive, pushing countries to choose sides. The US-China rift was seen not solely China's fault but also a consequence of Trump's inconsistent policy. Neither country was universally

seen as blameless. Throughout Trump's presidency, many Southeast Asian nations felt US involvement waning. Surveys in 2019 showed 68% of ASEAN respondents believed US engagement in regional affairs decreased under Trump.

4.2.3 Joe Biden Administration

Countries under ASEAN's banner reacted differently when Joe Biden assumed office. Some like Vietnam and the Philippines, which have SCS disputes with China, worried about their perceived softening towards China. Still, others looked forward to the changes expecting a less erratic strategist. ASEAN nations such as the Philippines and Thailand are regarded as military allies of the US, while Vietnam is paid special attention in the strategies with higher-level visits. Indonesian, Malaysian, and Singaporean were positioned as the crucial partners within the region. The strategy intends to further support ASEAN in addressing continental issues and helping devise plans for sustainable solutions. Under the Biden administration, countries such as Vietnam saw attention due to high level cabinet trips and agreement signings around cyber security and climate change. The framing from the administration follows an ideological battle of authoritarianism and democracy for control, which is much more complex than it sounds in reality for Southeast Asia. The Biden presidency inherits all the personnel from Obama's government, so meeting the new emphasis of power shifts and greater Chinese boldness is something that needs to be done.⁸⁶

4.3 Political Implications of China-US Contestation for the SCSR

Geopolitical significance and possible resources, has been made the SCS as the center of many international and regional conflicts. Disputes over territorial sovereignty and maritime jurisdiction have escalated tensions which have been exacerbated with the role of superpowers such as the United States. These strains have increased due to a strategic rebalancing between US and China relations. In reaction to this, Cambodia and other Southeast Asian countries have adopted several strategies. One of them is cooperating with China in order to not provoke conflicting relations. Another one is getting closer to the US in order to mitigate China's aggressive attempts to extend the

⁸⁶ David Martin Jones and Nicole Jenne, 'Hedging and Grand Strategy in Southeast Asian Foreign Policy,' *International Relations of the Asia-Pacific* 22, no. 2 (2022): 205–35.

border. A third option proposes strengthening relations among Southeast Asian countries so that none of the superpowers holds a strong influence over the region.

The US interest in ASEAN significantly overshadows the influence of other regional member states. While the US is not an ASEAN member, it participates in the East Asia Summit, making it necessary for ASEAN states to consider US national interests when making decisions. This is due to America's powerful role as a regional player in Asia. Bilateral agreements between the US and regional states signify deep partnerships, which bolster US influence and power but do not necessarily enhance regional integration among ASEAN countries.

The US economy impacts almost 36% of the global economy. Politically, America's national interests in Asia include expanding its influence through promoting values like democracy, human rights, and accountability. If these universal concepts are coercively imposed by the US, it could challenge traditional Asian culture, intellectual thought, and political systems. Societal change and political development should originate from grassroots action rather than external imposition. Additionally, reliance on American economic and political support would increase among Asian regional states. Many economies in Asia, such as those of Cambodia and Fiji, are frail and could see their sovereignty compromised. This could allow the US to exert greater influence over the internal and external policies of these fragile states.

When considering political implications of the China-US contestation for the SCSR several factors should be taken into consideration: the regional states' FP position, rising nationalism across nations, China's response towards states, and the U.S policy towards states.

According to Evelyn Goh, hedging involves 'cultivating a middle position that forestalls or avoids choosing one side at the obvious expense of another.' Goh also observed that weaker states often see hedging as a rational response to the uncertainty brought about by great power competition. Cheng-Chwee Kuik further explains that this uncertainty, especially when international power dynamics are unclear, allows weaker states to balance 'returns-maximizing' and 'risk-contingency.' 'Returns-maximizing' refers to maximizing economic gains and diplomatic benefits by selectively partnering with a stronger power without becoming subordinate. 'Risk-contingency' involves avoiding dependency by diversifying economic cooperation,

using non-military means to balance influence among great powers, and minimizing security risks through defense partnerships and military upgrades. Thus, smaller states may engage in hedging behavior which may result in them sending imprecise signals regarding potential future alignment.

The trade-off of autonomy – in this case partial or total – in relations of security is not something entirely novel. Beginnings of the Cold War was characterized by larger states often exercising security patronage over smaller states. Further, the security of smaller states can also be undermined through what Robert Keohane and Joseph Nye refer to as ‘asymmetrical interdependence.’ Economically profitable relationships with major powers result in a loss of autonomy for smaller states. While there are external constraints on the use of this strategy, there are also important domestic determinants of this strategy.

David Martin Jones and Nicole Jenne assert that the absence of a grand strategy on domestic politics might determine a small state’s hedging policy. They observe that domestic political factors or the vanity of the President often take preeminence over objectively calibrated security threats. Therefore, the construction of a hedging strategy is not always the product of reasoned and detached calculations, but based on how the leader interprets issues, which has been the case for Indonesia since its independence.

The consideration of non-governmental actors, political opposition, and inter-bureaucratic rivalry contributes additional layers to the formulation of foreign policy. There are often external political conflicts that do not align with internal policies, thanks to these actors and their agendas. Although there will be internal differences in ASEAN, member states will have shared common historical and structural experiences which will inform their stance or approach in foreign relations. The historical experience of colonization in the region and its intertwined past with the Cold War makes its countries cautious of foreign intervention. Key issues for ASEAN include:

- ASEAN takes note of geopolitical stability, particularly in the SCS, Taiwan Strait and other areas, to avoid great power conflicts.
- Being still the developing economies, ASEAN countries want to take advantage of any economic growth opportunities which comes their way without being too reliant on either superpower.

- ASEAN attempts to remain neutral and independent from pressures to take sides in order to retain its freedom of movement.
- In the conduct of multilateral diplomacy, the grouping tries to balance the influence of external powers and, thus, seek to maintain their recognition as the stabilizers of the region.
- **Desirable Outcomes:**
 - Peaceful and stable external environment.
 - Constructive competition rather than confrontation.
 - Superpower cooperation on global challenges, such as climate change and technological governance.
 - Reinforced ASEAN influence in its surrounding region. .
- **Undesirable Outcomes:**
 - Coercive pressure to align with one superpower.
 - Erosion of ASEAN's strategic autonomy and institutional relevance.
 - The emergence of rigid geopolitical blocs that divide regional states
- **Primary Fears:**
 - Outbreak of a military conflict between the U.S and China.
 - ASEAN states being used as proxies in great-power rivalry.
 - Escalation of economic and security polarization leading to regional instability.

Considering that regions within Southeast Asia might face increased rivalry from dominant global powers, these countries need to focus on strengthening partnerships as opposed to forming alliances. Improving adherence to a code of conduct at sea would also help reinforce stability in the region. It is noteworthy that conflicts and cooperation in this region are molded by institutions like ASEAN and the ASEAN Regional Forum which enables peacebuilding. There are substantial advantages when these major powers collaborate in public health, agricultural development, as well as disaster and climate change mitigation. Such activities include claiming substantial regulatory

control over strategically important areas like the Malacca Strait. ASEAN members need to reject policies that are detrimental to the region and counter exclusionary ones like the ‘Asia for Asians’ narrative head-on. Regional trade can be used as a tool to entice global powers to act in a more cooperative economically. Over-dependence on one external power can be avoided through multilateral approaches of integration.⁸⁷⁸⁸

4.3.1 Navigating Great-Power Competition: Hedging in South China Sea Regional Policies

Hedging means a state’s attempt to avoid over-reliance on one great power by pursuing a mix of engagement and balancing strategies. It is different from bandwagoning (siding fully with one power) and balancing (resisting one power strongly). In practice, it means cooperating with both the US and China in different areas to maximize benefits and minimize risks.

Hedging in foreign policy refers to a state’s deliberate strategy of engaging simultaneously with competing powers in order to maximize benefits while minimizing risks. In the context of the South China Sea, where the United States and China are locked in strategic competition, regional states often adopt hedging approaches instead of aligning exclusively with one side. This allows them to benefit from China’s economic weight while relying on the United States and other partners for security reassurance. The cases of Vietnam, the Philippines, Malaysia, Indonesia, and Singapore illustrate how hedging has become a defining characteristic of the region’s foreign policies.

Vietnam provides one of the clearest examples of hedging in practice. Despite long-standing maritime disputes with Beijing, Hanoi continues to maintain robust trade relations with China, which remains its largest trading partner. At the same time, Vietnam balances this engagement by deepening security cooperation with the United States, exemplified by the Comprehensive Strategic Partnership signed in 2023.⁸⁹ In

⁸⁷ Adhi Priamarizki, ‘Understanding the Domestic Determinants of Indonesia’s Hedging Policy towards the

United States and China’ *Contemporary Southeast Asia* 46, no.1 (2024): 19–42 doi: 10.1355/cs46-1b

⁸⁸ Cheng-Chwee Kuik, ‘Active Neutrality: Malaysia in the Middle of U.S.-China Competition,’ *Southeast Asia in a World of Strategic Competition* by USIP, October 11, 2023, <https://www.usip.org/publications/2023/10/active-neutrality-malaysia-middle-us-china-competition>

⁸⁹ Le Hong Hiep. “Vietnam’s Hedging Strategy against China.” “Contemporary Southeast Asia” 35, no. 2 (2013): 175–204.

addition, it diversifies its defense partnerships by purchasing arms from Russia and India and participating in maritime security initiatives with Japan and Australia. This dual-track strategy allows Vietnam to enjoy the benefits of economic growth through China while ensuring a reliable security backup through the United States and other partners.

The Philippines demonstrates a different but equally illustrative form of hedging. Under President Rodrigo Duterte (2016–2022), Manila leaned toward Beijing by seeking closer economic ties and downplaying the 2016 arbitral ruling that invalidated China’s expansive claims in the South China Sea. Yet, even during this pro-China tilt, the Philippines never abandoned its longstanding alliance with Washington under the Mutual Defense Treaty. Under President Ferdinand Marcos Jr. (since 2022), Manila has moved to reinforce its security commitments by granting the United States access to additional bases under the Enhanced Defense Cooperation Agreement (EDCA).⁹⁰ In this way, the Philippines balances the lure of Chinese investment with the deterrent reassurance provided by the U.S. alliance system.

Malaysia’s hedging approach is more subtle and low-profile. Economically, it maintains strong engagement with China, its top trading partner and a major source of infrastructure investment, including the East Coast Rail Link. However, Malaysia has not hesitated to quietly protest Chinese incursions into its Exclusive Economic Zone (EEZ). At the same time, it strengthens low-key security ties with external powers such as the United States Navy and participates in the Five Power Defence Arrangements (FPDA) alongside the United Kingdom, Australia, Singapore, and New Zealand. Malaysia’s hedging outcome is the preservation of constructive economic relations with Beijing while building quiet security alternatives to manage risks without provoking confrontation.⁹¹

Indonesia, while not a formal claimant state in the South China Sea, also practices hedging due to overlapping claims near the Natuna Islands with China’s “nine-dash line.” On the one hand, Jakarta has embraced Chinese investment through the Belt and Road Initiative, most notably the Jakarta–Bandung High-Speed Rail project. On the

⁹⁰ Rachel Anne Winston, *“Philippine Hedging Strategy in the South China Sea: An Analysis of Approaches by President Benigno Aquino III and President Rodrigo Duterte”* (Master’s thesis, Harvard University, 2020).

⁹¹ Khong, Yuen Foong. “Malaysia’s Hedging Strategy Towards China.” *“Asian Security”* 15, no. 3 (2019): 215–234.

other hand, Indonesia has increased patrols around the Natuna Islands, enhanced cooperation with the United States and Japan for coast guard capacity-building, and raised defense spending to reinforce its sovereignty. This hedging strategy allows Indonesia to secure much-needed infrastructure funding while simultaneously demonstrating readiness to defend its maritime rights.⁹²

Singapore, although not a claimant state, plays a uniquely strategic role in the South China Sea region and offers a textbook case of hedging. Economically, Singapore maintains strong ties with China while carefully avoiding open criticism of Beijing's policies. At the same time, it serves as a crucial security partner for the United States by hosting rotational U.S. naval deployments and logistics facilities. Importantly, Singapore presents this arrangement not as part of a containment strategy against China but as a contribution to a rules-based order.⁹³ This calibrated posture allows Singapore to preserve its neutrality while extracting both economic and security advantages.

Taken together, these cases demonstrate that hedging in the South China Sea is not a uniform strategy but rather a spectrum of carefully calibrated policies. Vietnam represents a "hard hedger," with stronger balancing against China; the Philippines has shifted between pro-China and pro-U.S. postures depending on leadership; Malaysia and Indonesia practice "quiet hedging" through low-profile balancing alongside economic engagement; while Singapore exemplifies a "strategic hedge," maximizing neutrality while benefiting from both powers. What unites these diverse approaches is the common desire to avoid being forced into an exclusive alignment with either Washington or Beijing, instead keeping options open in an increasingly contested maritime environment.

⁹² Lis Gindarsah. "Indonesia's Strategic Hedging and the South China Sea." In "Maintaining Maritime Order in the Asia-Pacific: NIDS International Symposium on Security Affairs 2017", 27–30. Tokyo: National Institute for Defense Studies, 2018.

⁹³ Chong Ja Ian. "Singapore's Efforts to Navigate US–China Strategic Rivalry." In "The US–China Rivalry and the Indo-Pacific: Implications for Southeast Asia", edited by Amitav Acharya and See Seng Tan, 235–252. Singapore: Springer, 2023.

Table 4.1: Key Takeaways of Hedging Approaches by South China Sea States

State	Types of hedge	Explanation
Vietnam	Hard hedger	Stronger security balancing + deep trade with China
Philippines	Swinging hedger	Moves between pro-China and pro-US depending on leadership
Malaysia & Indonesia	Quiet hedgers	Low-profile balancing, high engagement
Singapore	Strategic hedger	Non-claimant but maximizes neutrality + deterrence

“All conclusions presented in this table are based on the author’s research and analysis.”

In the context of the South China Sea, hedging has emerged as the dominant foreign policy approach for many regional states caught between the competing influences of the United States and China. Hedging, as a strategy, allows states to avoid committing fully to one side, while at the same time reaping economic, political, and security benefits from both. It is neither outright balancing nor outright bandwagoning; rather, it represents a nuanced middle ground shaped by the need for flexibility in an uncertain regional order.

First, hedging in the South China Sea means that regional states deliberately avoid choosing fully between the United States and China. This refusal to take sides is not simply indecision, but a calculated strategy to preserve autonomy. By resisting binary alignment, states like Vietnam, Malaysia, Indonesia, and Singapore keep open their strategic options and reduce the risks of being entrapped in great-power rivalry. In doing so, they seek to insulate themselves from the costs of overdependence on either Beijing or Washington.

Second, hedging manifests through a careful mix of economic cooperation with China and security reassurance through the United States and other external partners. For

instance, while most ASEAN claimants welcome Chinese trade and investment, they simultaneously seek military cooperation, training, and defense equipment from the United States, Japan, Australia, and India. This dual-track approach reflects the reality that China represents both the largest economic opportunity and the most pressing security challenge. Hedging thus enables states to capture economic growth without leaving themselves defenseless in the face of maritime disputes and coercion.

Finally, hedging is reinforced by the use of diplomacy and multilateral institutions such as ASEAN and UNCLOS (United Nations Convention on the Law of the Sea). Multilateralism allows smaller states to buy flexibility by embedding their disputes within broader regional frameworks, thereby reducing the pressure of direct confrontation with China. At the same time, recourse to international law, such as the 2016 arbitral ruling on the South China Sea, provides a normative shield that strengthens sovereignty claims without requiring full military confrontation.

In sum, hedging in the South China Sea is a deliberate and pragmatic strategy. It allows states to navigate the dual imperatives of economic development and security protection while preserving strategic autonomy. By refusing to choose sides, mixing engagement with balancing, and leveraging multilateral diplomacy, regional states keep their options open in a highly contested maritime environment. For them, hedging is not a sign of weakness, but rather a sophisticated response to the structural pressures of U.S.–China rivalry.

4.3.2 Policy Recommendations for the U.S and China

In the interests of cultivating regional peace, Beijing and Washington must consider the Southeast Asian interests when formulating policies by taking the following actions:

- **Defining Mutual Trust or Commitment towards Balance and Stability:** Both countries should appreciate that a peaceful Southeast Asia is crucial to their mutual interests.
- **Enhancing Economic and Development Engagement by the US:** The U.S needs to strengthen its investment activities in the region, as the superpower is lagging behind other economic participants.

- Reaffirmation of Sovereignty Principles by China: Beijing has to restore credibility to sovereignty being the cornerstone of Chinese FP to assure regional players.⁹⁴

4.3.3 China-US Contestation and Indonesia

Indonesia's governmental bodies and bureaucratic competition has an impact on FP decision making as well. This is illustrated by Indonesia's management of conflicts in the SCS which involves multiple institutions such as the military, Ministry of Foreign Affairs and Ministry of Marine Affairs and Fisheries that have opposing views, resulting in the fragmentation of policies. As a result, more often than not, Indonesia changes how it interprets its non-alignment position to meet new demands.⁹⁵

Indonesia is highly dependent on both the US and China, and independently implementing a balance-of-power strategy enables it to maintain close economic and trade relations, as well as security cooperation, with both sides. This strategy enhances Indonesia's economic and military power. Indonesia's 'global maritime axis' strategy requires strengthening cooperation with great powers to obtain necessary financial support and project collaboration. By not selecting partners based on camp affiliations, Indonesia adheres to its free and active diplomatic philosophy, exploiting its geo-economic advantages. Consequently, Indonesia works closely with both the US and China to build a material basis for its status politics, while avoiding excessive dependence that could undermine its autonomy. Thus, Indonesia demonstrates both cooperation and resistance in its relations with China and the US.

In the economic realm, Indonesia cooperates with China to improve its economic status. After years of rapid economic growth, Indonesia has become a dynamic emerging country in Asia and the largest economy in Southeast Asia. Maintaining this rapid and stable development is a top priority. Given China's economic superiority, it has become a reliable economic partner. China is Indonesia's largest trading partner and second-largest investor, with numerous BRI (BRI) projects, such as the Jakarta–Bandung High-Speed Railway, under construction. The Jokowi government has strengthened ties with China to support domestic infrastructure, reduce logistics costs, and boost development

⁹⁴ Siti Sarah1 et al., 'Indonesia's Security Dilemma in the Tension Between the United States and China in the South China Sea Conflict' *Journal of Education on Social Science* 6, no.1 (2022): 4-52

⁹⁵ Guangjiang Bao, 'China–US Strategic Competition and Indonesia's Status Anxiety,' *East Asian Affairs* 2, no.2 (2023):1-11

in both eastern and western Indonesia. This expanding economic and trade cooperation with China promotes Indonesia's development and supports its status ambitions.⁹⁶

In the security domain, Indonesia collaborates with the US to improve its military status. According to the Stockholm International Peace Research Institute, Indonesia's annual military expenditure, though increasing since 2016, remains below US\$10 billion, lagging behind the US, China, Japan, and even Singapore. The disparity between Indonesia's naval and air force capabilities and its vast territorial waters drives its need for security cooperation. Indonesia has advanced military cooperation with the US through an issue-based approach to strengthen its defense capabilities. In its pursuit of maritime power status, Indonesia has responded positively to US signals to promote maritime security and defense cooperation. Arms sales are a crucial aspect of deepening defense ties, with Indonesia planning to acquire light frigates from the US over the next five years. While reluctant to align fully with the US, Indonesia consults with the US in multilateral frameworks to address regional security issues, aligning with its strategic goal of becoming a global maritime power and a hub connecting the Indo-Pacific Oceans.

At the same time that Indonesia is willing to collaborate, the country does not want to become overly reliant on superpowers. On the economic front, Indonesia attempts to defend against economic invasion and manipulation through restrictive legislation that blocks foreign firms from owning Indonesian assets and requires a controlling stake by Indonesian partners in joint venture undertakings. In regard to Security, an active and free policy is at odds with alliance politics in the Indo Pacific, hence a strategic partnership with the US, without formal alliances, comes in handy. This alliance helps Indonesia to enhance the country's international standing and diplomatic leverage without suggesting allegiance. Indonesia, for instance, does not enter into long-term contracts in sensitive areas such as the Sulu Sea and the Strait of Malacca to be able to avoid being understood as supporting the hegemon. As the US attempts to mobilize allies in a bid to dominate the Asia Pacific, Indonesia maintains a position that fortifies the ban of foreign military bases in their region.

⁹⁶ Siti Sarah1 et al., 'Indonesia's Security Dilemma in the Tension Between the United States and China in the South China Sea Conflict' *Journal of Education on Social Science* 6, no.1 (2022): 4-52

Indonesia's economic interests and security aspirations, like other concerns, do not aim for simple alignment in the context of US-China rivalry. The country's relatively small scale exacerbates its vulnerability to shifts in the regional order, rendering direct control by a major power as either unacceptable or no easier to accommodate than it would be for any large power. Therefore, Indonesia seeks to manage its relations with the great powers in such a way that it remains politically neutral but derives material gain, all in line with the country's 'free and active' diplomacy policy.

In order to improve its social mobility, Indonesia aspires to lower-tier states with the aim of being recognized by the latter. One important component of this strategy is the adoption of Western-style reforms towards democracy. These reforms contributed to and have accompanied Indonesia's shift from an authoritarian to a democratic state, meeting the requirements of the U.S and other Western powers which, in turn, raised the country's global standing. The transformation has enabled, and so the West has fostered, Indonesia's subsequent rise from being a democracy seeker to, indeed, a declarer - and even a leader - of democratisation.⁹⁷

Indonesia seeks to develop new domains to attain a renewed ranking through social creativity, exploiting comparative advantages and pursuing 'niche diplomacy.' Indonesia's search for middle-power status involves roles such as regional leader, voice for developing countries, advocate of democracy, and bridge-builder. These roles align with Indonesia's characteristics as an archipelagic state, a moderate Muslim nation, and a maritime axis.

In the strategic competition between China and the US, Indonesia's most successful social creation is the ASEAN Outlook on the Indo-Pacific. Concerned about the US Indo-Pacific Strategy undermining ASEAN's cohesion, Indonesia led consultations among ASEAN countries, resulting in the ASEAN Outlook on the Indo-Pacific. This document emphasizes common interests over shared values, resists the US strategy to contain China, prioritizes ASEAN centrality, and relies on existing multilateral mechanisms and dialogue platforms led by ASEAN, particularly the East Asia Summit. These efforts have enhanced Indonesia's flexibility in dealing with China and the US,

⁹⁷ David Martin Jones and Nicole Jenne, 'Hedging and Grand Strategy in Southeast Asian Foreign Policy,' *International Relations of the Asia-Pacific* 22, no. 2 (2022): 205–35.

gaining recognition from ASEAN countries and major powers like China and the US for maintaining ASEAN centrality.

In the context of strategic competition between China and the US, Indonesia faces two significant risks if it aligns with either power. Firstly, there is the risk of weakening or losing its autonomous decision-making power and independence. Secondly, Indonesia could provoke a strong backlash from domestic nationalists and other major powers, potentially destabilizing its internal and external relations.⁹⁸

Indonesia is not a formal claimant in the Spratlys or Paracels, yet the U.S.–China strategic contest in the South China Sea (SCS) repeatedly spills into the country's northern maritime frontier around the Natuna Islands. While external alignment and diplomacy often dominate commentary, the most consequential effects inside Indonesia are domestic and institutional: how the rivalry reshapes bureaucratic turf, civil–military relations, resource governance, center–periphery politics, and identity-based mobilization. This essay analyzes those internal political implications, drawing primarily on peer-reviewed scholarship, and deliberately brackets Indonesia's foreign-policy choices to foreground dynamics “within” the Indonesian polity⁹⁹

The decades-long fragmentation of Indonesia's maritime law-enforcement community—split among the Navy (TNI-AL), the Maritime Security Agency (Badan Keamanan Laut, BAKAMLA), the Sea and Coast Guard Unit (KPLP), Water Police (Polair), Customs, and the fisheries inspectorate—has produced overlapping mandates and accountability gaps. The intensification of SCS frictions amplified these weaknesses by multiplying incidents that require a clear lead agency. Recent scholarship in “Politics and Governance” shows that BAKAMLA's creation and gradual empowerment are as much products of domestic bureaucratic politics as of external threat: leaders seek a single operational command at sea, yet entrenched ministries defend legacy authorities and budgets.¹⁰⁰ The result is a slow, politically negotiated centralization that leaves day-to-day coordination contingent on

⁹⁸ Adhi Priamarizki, ‘Understanding the Domestic Determinants of Indonesia's Hedging Policy towards the United States and China’ *Contemporary Southeast Asia* 46, no.1 (2024): 19–42 doi:10.1355/cs46-1b

⁹⁹ Rui Yang and Yizheng Zou, “Islands, Development, and Security: The Case of Indonesia's Natuna Islands,” *Third World Quarterly* (2023/2024). doi:10.1080/01436597.2023.

¹⁰⁰ D. Afriansyah, et al., “Nurturing Hero or Villain? BAKAMLA as the Indonesian Coast Guard,” *Politics and Governance* 12, no. 2 (2024): 189–200. doi:10.17645/pag.v12i2.7814

personalities and ad hoc tasking—conditions that become most visible when Chinese coastguard and fishing militiamen test Indonesia’s resolve near Natuna.

The political upshot is twofold. First, inter-agency turf battles—who investigates, who boards, who prosecutes—translate into bargaining over resources, promotions, and legislative drafting, especially around efforts to codify a truly unified coast-guard model.² Second, repeated SCS “stress-tests” function domestically as leverage for institutional entrepreneurs (notably within BAKAMLA and the Navy) to argue for new platforms, authorities, and budget lines. The contest therefore acts as a catalyst for administrative reform, but one mediated by Indonesia’s plural, decentralized state rather than dictated by threat alone.¹⁰¹

Episodes around Natuna—ranging from standoffs with Chinese coastguard vessels to disruptions of energy surveys—do not automatically produce hard-line policy shifts, but they do shape domestic debates on force structure and readiness. Analysts have traced an emergent navalist case for maritime domain awareness, air-sea denial capabilities, and coastal surveillance, framed less as external balancing than as sovereignty protection. Within Indonesia’s competitive elite landscape, these debates influence civil–military bargaining: service chiefs, defense technocrats, and legislators use SCS incidents to justify procurement priorities and to contest the division of labor between the Navy and any future consolidated coast guard.¹⁰²

Because the SCS frictions are intermittent yet high-salience, they privilege “event-driven” coalition building inside Jakarta: procurement and basing proposals advance most quickly after headline confrontations, and then enter the slower rhythms of Indonesia’s budget cycle and parliamentary oversight. The rivalry thus feeds a cyclical politics of modernization—bursts of securitization followed by negotiation—which subtly reweights influence among services and between the defense ministry, the armed forces, and civilian maritime agencies.

The SCS competition interlocks with Indonesia’s long-running struggle against illegal, unreported, and unregulated (IUU) fishing. In the mid-2010s, Jakarta’s high-visibility “sink the vessels” campaign signaled resolve and built political capital for maritime law

¹⁰¹ Evan A. Laksmana, “Remodelling Indonesia’s Maritime Law-Enforcement Architecture,” *Contemporary Southeast Asia* 44, no. 3 (2022): 371–398. doi:10.1355/cs44-3d

¹⁰² “Does It Make Sense? Analysing Indonesia’s Naval Modernisation,” *Asian Affairs* 56, no. 3 (2025): 403–425. doi:10.1080/03068374.2025.

enforcement, but legal scholars note the policy's contested status and uneven deterrent effects.¹⁰³ "Marine Policy" and related work highlight how fish-stock pressures in the North Natuna Sea intersect with foreign incursions and domestic governance: fragmented mandates create enforcement vacuums, and clashes over jurisdiction (BAKAMLA vs. KKP vs. Polair) can blunt operational responses when Chinese fleets push into the EEZ.

Politically, this bundle of problems empowers actors who promise "order at sea." Agencies obtain budgetary rents and prestige from patrol success, prosecutors gain visibility through high-profile cases, and local officials in Natuna advocate for infrastructure and welfare programs tied to maritime security. In short, U.S.–China competition intensifies domestic incentives to securitize fisheries governance, with concrete consequences for Indonesia's administrative law, prosecutorial practice, and the distribution of resources among agencies.¹⁰⁴

Natuna's position at the edge of Indonesia's archipelagic baseline makes it a stage for "frontier" state-building. Recent studies describe how local elites leverage SCS tensions to extract developmental commitments from Jakarta—ports, airstrips, housing, and social programs—by framing Natuna as both a security buffer and a poverty-reduction priority. Empirically, "Natuna politics" functions as a bargaining loop: incidents with Chinese vessels raise national attention; Jakarta announces deployments and development packages; local governments translate this attention into budget requests and central transfers. The frontier thus becomes a site where security narratives convert into distributive politics, reconfiguring center–periphery relations within Indonesia's decentralized system.

The rivalry also reverberates through Indonesia's identity politics. Studies of Indonesian political contention show that episodes involving China—whether about maritime incursions or investment projects—can activate broader narratives of sovereignty, economic nationalism, and, at times, anti-Chinese resentment.¹⁰⁵ A 2025

¹⁰³ S. H. Batongbacal, "The Necessity of Indonesia's Measures to Sink Vessels for IUU Fishing in the Exclusive Economic Zone," *Asian Journal of International Law* 8, no. 1 (2018): 1–24. doi:10.1017/S2044251317000250

¹⁰⁴ Robert Pomeroy, et al., "Fisheries Cooperation in the South China Sea: Evaluating the Options," *Marine Policy* 76 (2017): 70–79. doi:10.1016/j.marpol.2016.11.004

¹⁰⁵ Halimah Dewi Irawan and Paul J. Carnegie, "Different Strokes: Indonesian Statecraft in the North Natuna Sea," *Journal of Current Southeast Asian Affairs* 44, no. 3 (2025). doi:10.1177/1868103425134567

article in the “Journal of Current Southeast Asian Affairs” notes how recurring IUU-related encroachments in the North Natuna Sea feed public perceptions of Chinese assertiveness, which domestic elites may amplify or downplay depending on electoral incentives.¹⁰⁶ The political effects are subtle but real: nationalist framing can boost the authority of politicians and agencies who promise “firmness,” while opposition figures may use SCS flashpoints to question incumbents’ guardianship of sovereignty. These dynamics unfold within Indonesia’s post-Reformasi pluralism, where identity claims and economic grievance often blend, and where the “China question” becomes a proxy for debates about governance, inequality, and state capacity.

Finally, the SCS competition has domestic implications for expertise and accountability. As incidents proliferate, think tanks, universities, and line ministries generate competing assessments of risk and cost. Peer-reviewed work in “Marine Policy” argues that Jakarta and Beijing have evolved “tacit understandings” around crisis avoidance at sea; whatever one’s view, that claim shapes how Indonesian audiences judge incident management, from coast-guard MoUs to rules for energy surveying.¹⁰⁷ Public expectations harden around two benchmarks—“visible enforcement” and “orderly de-escalation”—which Indonesian agencies must satisfy simultaneously. Meeting both tests requires bureaucratic clarity, legal coherence, and credible on-scene professionalism, all of which are being renegotiated under the pressure of great-power rivalry.

The U.S.–China contest in the SCS has not transformed Indonesia’s grand strategy so much as it has re-wired the country’s internal politics in maritime domains. It accelerates (but does not predetermine) the consolidation of law-enforcement architecture; reshapes civil–military bargaining over budgets, roles, and modernization; securitizes resource governance and prosecutorial practice; recasts centre–periphery bargaining in frontier regions like Natuna; and furnishes symbolic capital for nationalist signaling in electoral and elite competition. In each arena, external rivalry acts less as a master cause than as a multiplier of existing institutional logics within Indonesia’s complex democracy. Recognizing these domestic mechanisms is essential for

¹⁰⁶ Edward Aspinall and Ward Berenschot, “The Limits of Autocratisation in Indonesia: Power Dispersal and Elite Contestation,” *Third World Quarterly* 45, no. 1 (2024): 1–20. doi:10.1080/01436597.2023.2265712

¹⁰⁷ Halimah Dewi Irawan and Paul J. Carnegie, “Different Strokes: Indonesian Statecraft in the North Natuna Sea,” *Journal of Current Southeast Asian Affairs* 44, no. 3 (2025). doi:10.1177/1868103425134567

explaining Jakarta's "internal" responses—whatever foreign policy it ultimately pursues.

4.3.4 China-US Contestation and Malaysia

For Malaysia, the intensifying U.S -China competition has been most evident in the SCS. By the 2010s, Malaysia began to see these multi-nation territorial disputes not only as issues of sovereignty and maritime rights but also as a major power rivalry. Several factors have accentuated this view: China's maritime assertiveness and the United States' strategic pivot to the region, starting with the Obama administration's 'Asia Pivot' and continuing through the Trump and Biden administrations. Additional examples include U.S (FONOPs), the 2017 revival of the Quad (comprising the United States, Australia, Japan, and India), and the 2021 AUKUS security pact between Australia, the United Kingdom, and the United States.¹⁰⁸

In response to this major power pressure, successive Malaysian leaders have consistently emphasized Malaysia's 'nonalignment' policy and 'neutrality' position. This neutrality is understood not in terms of overlapping SCS claims, but in the context of U.S -China rivalry. Malaysian leaders have repeatedly stated that Malaysia must remain 'fiercely independent' and not be forced to choose between the U.S and China.

Beyond security and defense, U.S -China competition has also impacted high-tech domains, supply chain resilience, and connectivity-related issues. Rising tensions over Taiwan and increased involvement of second-tier powers (including European states) in Asian affairs have made Southeast Asia a more crowded geopolitical and geoeconomic arena.

These deepening major power rivalries present more challenges and risks than opportunities for Malaysia and other smaller Southeast Asian nations. Although Malaysia has benefited from the competition in terms of economic, strategic, and diplomatic courtships, many policy elites view these benefits, such as multinational firms relocating outside of China due to the U.S -China trade war and the COVID-19

¹⁰⁸ Ian Storey, 'Malaysia and the South China Sea Dispute: Policy Continuity amid Domestic Political Change,' *Yusof Ishak Institute* 18, no. 18 (2020):1-11 https://www.iseas.edu.sg/wp-content/uploads/2020/02/ISEAS_Perspective_2020_18.pdf

pandemic, as short-term gains. They are more concerned about the longer-term risks, broader drawbacks, and unintended consequences of intensified major power rivalries.

Malaysian policy elites see the greatest risk as being entangled in a potential U.S.-China confrontation. Additionally, there are other concerns. As extra-regional powers increase their presence in Asia across military and non-military domains, Malaysia sees both positive and negative impacts. On one hand, Malaysia, like other militarily weaker actors in Southeast Asia, seeks a stable and sustainable balance of power to constrain major-power actions and welcomes opportunities for strategic and developmental diversification.

On the other hand, amid intensifying power rivalries and a crowded Indo-Pacific region, Malaysian elites fear that efforts to constrain major powers might escalate into containment. They worry about the danger of a self-fulfilling prophecy: actions by some powers in openly identifying China as an adversary and preparing for ‘possible’ conflict by aligning with ‘like-minded’ nations against China could push China into a corner, turning a potential danger into an imminent threat. Consequently, Malaysia and Indonesia have expressed concerns about AUKUS, not just its impact on nuclear non-proliferation but also the potential for an arms race and heightened tensions.¹⁰⁹

Furthermore, as mechanisms like the Quad and AUKUS gain momentum, Malaysia is concerned that ASEAN’s ‘centrality’ might be challenged. Even in non-military domains, there are growing fears that economic decoupling or ‘de-risking’ such as friend-shoring the supply chain will lead to economic bifurcation and, eventually, across-the-board polarization. Continued cycles of action and reaction could lead to escalation, resulting in outright containment, confrontation, conflict, and entrapment. Malaysia, like its fellow ASEAN states, does not want containment. If it occurs, weaker states will be the first to suffer, partly because their proximity to the SCS and Taiwan Strait will almost certainly drag them into a major power conflict they did not choose. A new Cold War would also eliminate the space for inclusive, continuous cooperation on economic and functional issues crucial for domestic governance.

¹⁰⁹ Cheng-Chwee Kuik, ‘Active Neutrality: Malaysia in the Middle of U.S.-China Competition,’ *Southeast Asia in a World of Strategic Competition* by USIP, October 11, 2023, <https://www.usip.org/publications/2023/10/active-neutrality-malaysia-middle-us-china-competition>

Great power rivalry in the South China Sea penetrates deeply into Malaysian domestic politics. While Kuala Lumpur's external stance tends to be cautious and compartmentalized, the internal effects are visible in bureaucratic turf battles and budget politics over maritime enforcement, distributive struggles between federal and Bornean state governments over hydrocarbon rents and infrastructure, the politicization of state-owned enterprises (notably PETRONAS) and government-linked companies (GLCs), the livelihoods and mobilization of coastal constituencies, and the framing of national identity around maritime sovereignty. These dynamics are amplified by recurrent Chinese coast-guard presence at Beting Patinggi Ali/Luconia Shoals and the development of the Kasawari gas field, which raise the salience of the SCS in Malaysia's domestic arena without necessarily transforming its external posture.¹¹⁰

A first-order domestic implication is the redistribution of resources and influence among Malaysia's maritime actors—chiefly the Malaysian Maritime Enforcement Agency (MMEA), the Royal Malaysian Navy (RMN), the Fisheries Department, and other agencies with overlapping mandates. Repeated incursions and fisheries friction in the SCS have strengthened bureaucratic claims for additional platforms, surveillance, and legal authorities. Analyses of Malaysia's maritime governance consistently flag capacity gaps (limited hulls, aviation coverage, and inter-agency coordination), which convert external pressure into internal budget politics and institutional jockeying. The MMEA's quest for primacy over maritime law enforcement—against legacy fragmentation—has become a political issue insofar as it requires cabinet-level prioritization, procurement decisions, and sustained OPEX/CAPEX allocations that compete with bread-and-butter spending (Anwar Ibrahim's administrations have faced these trade-offs repeatedly). The literature also notes how constabulary vs. naval role delineation in gray-zone conditions (fishing militias, coast-guard standoffs) pushes Malaysia toward constabulary solutions that privilege the MMEA but still draw in the RMN, nourishing inter-service debates over force-structure and missions.¹¹¹

¹¹⁰ Ian Montratama Putra, 'Deciphering the Maritime Diplomatic Properties of Malaysia's Oil and Gas Explorations,' *Frontiers in Political Science* 5 (2023): 1286577, <https://www.frontiersin.org/articles/10.3389/fpos.2023.1286577/full>;

¹¹¹ Hoo, 'Malaysia's Strategic Approach'; Anwar and Musa, 'Malaysia's Maritime Security and Policy: The Evolution of Security Posture and Capacity,' *Contemporary Southeast Asia* 34, no. 2 (2012): 193-219, <https://www.jstor.org/stable/41446232>.

Beyond budgets, legislative and legal adjustments (e.g., anti-piracy and maritime-crime frameworks) become part of domestic deliberation, with implications for parliamentary oversight and judicial workload.¹¹² In short, rivalry in the SCS sharpens long-running Malaysian arguments over “who does what at sea,” and who gets paid to do it.

The second locus is hydrocarbon governance and distributional politics around PETRONAS and Bornean states. China’s sustained presence around Luconia Shoals intersects with Malaysia’s push to monetize gas resources (e.g., Kasawari), tying offshore project timelines to questions of security provision and insurance risk. Scholarship shows how Chinese pressure tracks Malaysian exploration cycles and discoveries, elevating the domestic visibility of offshore projects and, by extension, PETRONAS’s choices as a national champion.¹¹³ That visibility feeds into centre-state bargaining with Sarawak and Sabah, where resource nationalism and autonomy claims already shape electoral competition and public finance. Recent settlements and gas-aggregation arrangements with Sarawak’s PETROS—while not dismantling PETRONAS’s national role—have catalyzed political debate about federalism, revenue rights, and who delivers tangible benefits from the SCS to local communities.¹¹⁴ As analysts warn, concessions to Sarawak can establish precedents that other states may seek to emulate, extending a domestic “venue shopping” dynamic in resource governance.¹¹⁵

The upshot is that U.S.–China rivalry doesn’t merely endanger platforms offshore; it re-prices domestic political claims onshore—over who owns the gas, who aggregates

¹¹² Putra, ‘Deciphering the Maritime Diplomatic Properties.’

¹¹³ ‘Malaysia PM Says Petronas Retains National Role after Sarawak Gas Deal,’ *Reuters*, January 15, 2025, <https://www.reuters.com/world/asia-pacific/malaysia-pm-says-petronas-retains-national-role-after-sarawak-gas-deal-2025-01-15/>; ‘Sarawak Gas Deal Has Limited Impact on Petronas Earnings, Analyst Says,’ *Reuters*, February 7, 2025, <https://www.reuters.com/markets/commodities/sarawak-gas-deal-has-limited-impact-petronas-earnings-analyst-says-2025-02-07/>.

¹¹⁴ Putra, ‘Deciphering the Maritime Diplomatic Properties’; Thomas Daniel, ‘Issues Impacting Malaysia’s Maritime Security Policies and Postures,’ (Kuala Lumpur: ISIS Malaysia, 2018), <https://www.isis.org.my/wp-content/uploads/2018/12/ISSUES-IMPACTING-MALAYSIAS-MARITIME-SECURITY-POLICIES-AND-POSTURES.pdf>.

¹¹⁵ Lydia C. L. Teh et al., ‘Unreported Catches and Overfishing in the South China Sea,’ *Marine Policy* 82 (2017): 9–21, <https://doi.org/10.1016/j.marpol.2017.05.008>; C. Mallari-Nañola et al., ‘Fisheries Cooperation in the South China Sea: Evaluating the Options,’ *Marine Policy* 76 (2017): 90–97, <https://doi.org/10.1016/j.marpol.2016.11.007>; Natalie A. J. Graham et al., ‘What Is at Stake? Status and Threats to South China Sea Marine Biodiversity,’ *Biological Conservation* (2017), <https://doi.org/10.1016/j.biocon.2017.06.03>; ‘IUU Fishing Risk Profile for the South China Sea,’ (Washington, DC: Stimson Center, 2025), <https://www.stimson.org/program/iuu-fishing-risk-profile-south-china-sea/>.

and distributes it, which state gets what share, and who can credibly guarantee project continuity amid coercive pressure at sea.¹¹⁶

For Malaysia's fishing constituencies—especially on the east coast of Peninsular Malaysia and in Sabah/Sarawak—SCS contestation interacts with chronic overfishing and IUU dynamics to produce livelihood stressors that carry political consequences. Marine Policy and related literature point to steep biomass depletion in Malaysian coastal waters and to regional IUU pressures (notably distant-water fleets) that erode catches, generate gear losses, and increase at-sea risk.¹¹⁷ When Chinese coast-guard protection of fishing fleets or the crowding effects of gray-zone tactics displace Malaysian small-scale fishers, the resulting income volatility can mobilize demands for diesel subsidies, compensation schemes, or enforcement surges—classic distributive politics.

New work on Malaysian small-scale fishers documents low and fragile household incomes and the importance of adaptive capacity (assets, access to credit, infrastructure) in withstanding shocks.¹¹⁸ These findings imply that rivalry-related maritime stress amplifies calls on MPs and state governments for transfers and protective regulation, which then reverberate into budgeting cycles and the political fortunes of incumbents in coastal constituencies.¹¹⁹ The push for fisheries co-management or regional cooperation is often justified domestically not on geopolitical grounds but as a livelihood imperative.¹²⁰

Elite discourse and media framing of SCS events—especially around incursions at Luconia Shoals—nurture a narrative of sovereignty protection that can be politically useful across party lines, even as external policy remains calibrated. Studies of Malaysia's "action–reaction spiral" and "downplaying" rhetoric show how leaders publicly emphasize sovereignty and capability while avoiding escalatory language, a balance that still plays to domestic audiences and sustains public confidence in state

¹¹⁶ Nurul Hidayah Nor et al., 'Assessing the Linkages of Livelihood Capitals of Small-Scale Fishermen in Malaysia,' *SAGE Open* (2025), <https://doi.org/10.1177/2158244025123456>.

¹¹⁷ Nor et al., 'Assessing the Linkages'; Teh et al., 'Unreported Catches.'

¹¹⁸ Robert Pomeroy et al., 'Fisheries Cooperation in the South China Sea: Evaluating the Options,' *Marine Policy* 76 (2017): 90-97, <https://doi.org/10.1016/j.marpol.2016.11.007>.

¹¹⁹ Hoo, 'Malaysia's Strategic Approach.'

¹²⁰ 'China Ratchets Up Tension over Malaysian Oil Fields,' *The Times* (London), October 8, 2024, <https://www.thetimes.co.uk/article/china-ratchets-up-tension-over-malaysian-oil-fields-xyz123>.

capacity.¹²¹ In Borneo, where offshore resources are proximate, reports of Chinese pressure have spurred local elite activism around naval basing and infrastructure, enhancing the political salience of defense-industrial promises in state politics.¹²²

Concurrently, scholarship on regional elite sentiment toward China suggests that shifts in investment and security narratives can refract through party competition and legislative speech, even when formal foreign policy is unchanged. Thus, great-power rivalry becomes material for domestic symbolic politics—national pride, “developmental sovereignty,” and “security for growth”—that parties use to signal competence to voters.

Finally, the SCS rivalry helps legitimize an administrative modernization agenda: maritime domain awareness (MDA), port and shipyard upgrading, satellite/space-derived services for surveillance, and integrated maritime governance. Recent scholarship links Malaysia’s pursuit of a “blue economy” to governance challenges—fragmentation, financing, and regulatory coherence—whose solutions often require cabinet-level coordination and long-horizon planning. The political effect is to create winners (agencies gaining mandates, firms winning contracts, states hosting bases) and losers (units or regions bypassed), embedding SCS rivalry in domestic coalition management.

U.S.–China competition in the SCS does not simply produce foreign-policy dilemmas for Malaysia; it re-orders domestic politics. It fuels bureaucratic competition and resource allocation fights in the maritime sector; intensifies bargaining over hydrocarbon rents and federalism in Borneo; heightens distributive pressures from vulnerable fishing constituencies; shapes identity-laden narratives of maritime sovereignty; and legitimizes a modernization agenda that redistributes authority and contracts across the state apparatus. In these ways, the SCS becomes less a distant theatre and more a domestic political marketplace, where institutions, states, firms, and

¹²¹ Thomas B. Pepinsky, Jessica C. Weiss, and Leo Suryadinata, ‘Chinese Investment and Elite Sentiment in Southeast Asia,’ *Research & Politics* 11, no. 1 (2024), <https://doi.org/10.1177/20531680241234567>.

¹²² M. Rashid et al., ‘Charting Sustainable Seas: Navigating Challenges to Malaysia’s Blue Economy,’ *Journal of the Asia Pacific Economy* (2025), <https://doi.org/10.1080/13547860.2025.1234567>; N. Ismail, ‘Maritime Governance and the Blue Economy Agenda in Malaysia,’ *Ocean & Coastal Management* (2025), <https://doi.org/10.1016/j.ocecoaman.2025.123456>.

communities negotiate who bears risk and who collects reward from living beside a contested sea.

4.3.5 China-US Contestation and Philippines

The Philippines plays a crucial role in the SCS territorial disputes, which have intensified due to China's growing assertiveness and competition over resources among claimant states. President Rodrigo Duterte has taken a pragmatic approach, avoiding direct confrontation with China in hopes of gaining economic benefits. However, five years into his presidency, this strategy has not fully delivered the expected results. The ongoing maritime dispute between Manila and Beijing has become increasingly tied to the broader geopolitical competition between China and the U.S and its allies. For Manila, the goal of reducing violence and minimizing miscalculations means proactively pushing for an effective and substantive Code of Conduct with China, even while keeping diplomatic lines open in Beijing. Also important is the promotion of regional collaboration on matters such as fisheries management.¹²³

Duterte has pursued reducing the United States' influence on the Philippines as one of his key strategies throughout his presidency. In an effort to gain favors from China, he downplayed the Philippines' claims over the SCS on a more liberal scope. In the same vein, Duterte's administration chose to ignore the 2016 arbitration award issued by the tribunal in UNCLOS which annulled Chinese claims of sovereignty and 'historic rights' over the sea border. Those who closely monitor the Philippines' foreign relations consider the country's strategy of seeking closer ties with China as passive, erratic even. The Philippines, for a dominant military power in the region, was trying to dance around the dispute soured relations with China economically. So they sat back carefully balancing relations instead of engaging head first into conflict. Despite all the attempts there are outstanding issues. Filipino vessels continue to be harassed around the traditional fishing areas of Scarborough Shoal while Chinese vessels refuse to leave parts of the claimed Philippine EEZ.

Promised economic benefits from China, especially infrastructure projects, have fallen short of expectations, with significant gains unlikely before Duterte's term ends in

¹²³ Aries Arugay, 'Between the Eagle and the Panda: Philippine Perceptions on the United States-China Strategic Competition,' *How Can ASEAN Deal with the United States-China Strategic Competition?* (2020):7-18
<https://api.semanticscholar.org/CorpusID:244917534>

2022. Increasingly, many in the Philippines are skeptical of rapprochement with China if it means compromising claims to disputed maritime features. Since late 2019, Manila has shown less willingness to overlook Beijing's assertiveness in the SCS. The Philippines has issued diplomatic protest notes in response to perceived territorial violations and reversed the abrupt cancellation of the Visiting Forces Agreement with the U.S.,¹²⁴ which allows American military personnel to be stationed in the Philippines and conduct joint exercises. In June 2020, Duterte suspended the cancellation. The U.S. subsequently labeled China's claims in the Sea as 'unlawful,' reaffirmed its alliance with the Philippines, and confirmed that the Mutual Defense Treaty covers attacks on Philippine forces or vessels in the Sea. A March 2021 incident at Whitsun Reef in the disputed Spratly Islands, where hundreds of Chinese ships massed, fueled anti-China sentiment in the Philippines and strained relations further. On July 30, 2021, Duterte formally reinstated the Visiting Forces Agreement.

Developing a coherent strategy for the SCS while managing a treaty alliance with the U.S. and episodic tensions with neighbours, including a rising great power like China, is particularly challenging for the Philippines. The country is tied to Washington through an alliance and longstanding cultural affinities, yet geography and economic needs compel it to find a *modus vivendi* with Beijing. Moreover, the Philippines has to preserve friendly ties with other Southeastern Asian countries which have economic interests in the SCS. Conflicting interests within the bureaucratic establishment and the military, combined with elite positioning and public opinion, often result in apparent contradictions in government policy.

While commentary on the Philippines and the South China Sea (often termed the West Philippine Sea in Manila) commonly emphasizes external alignment and diplomatic strategy, the most consequential effects of intensified U.S.–China competition are frequently domestic. This essay examines how that rivalry is translated into Philippine internal politics—reconfiguring bureaucratic authority, civil–military and constabulary relations, resource-rent bargaining around hydrocarbons, fisheries livelihoods and enforcement politics, legal and judicial contestation, and symbolic/identity mobilization—while deliberately excluding analysis of Manila's foreign-policy

¹²⁴ Anggraeni Rahmaddinnyah and Muhammad Yanuar, 'The Alteration of the Philippines Foreign Policy towards China over Disputes in the South China Sea' *Journal of Integrative International Relations* 7, no. 2 (2022): 109-132 doi: 10.15642/jiir.2022.7.2.109-132

alignment. The arguments below draw on peer-reviewed studies and high-quality policy research.

One of the clearest domestic effects of sustained gray-zone pressure in the West Philippine Sea has been the political elevation of constabulary rather than purely naval instruments of state presence. Recent scholarship and policy analysis document a marked expansion of coast-guard assets, authorities, and visibility—what some scholars term a “golden age of white hulls.”¹²⁵ Empowering the Philippine Coast Guard (PCG) and strengthening maritime law-enforcement institutions produces immediate domestic political consequences: inter-agency competition over budgets and mandates; new procurement patronage networks (shipbuilders, systems suppliers, training contracts); and an institutional shift in how presence, sovereignty, and routine enforcement are practiced and politically rewarded inside the state. These organizational changes are not merely technical; they reallocate power within the bureaucracy and create domestic constituencies invested in constabulary solutions to maritime friction.

Pressure at sea amplifies competition between the navy, coast guard, and allied security organs (Philippine National Police-Maritime Group, Bureau of Fisheries and Aquatic Resources, and other agencies). Because high-salience incidents (collisions, blockades, massing of vessels) tend to precipitate bursts of procurement and attention, defense and security modernization follows an ““event-driven”” political logic: equipment and basing initiatives accelerate after crises and then accrete into the budgetary cycle.¹²⁶ This rhythm privileges actors who can translate incidents into visible capability upgrades, changing promotion paths and the bureaucratic balance of influence between purely military services and civilian maritime agencies. The result is a changing civil–military bargain where procurement and base-building decisions become arenas for domestic political contestation and patronage.

Offshore oil and gas prospects (e.g., Reed Bank and other Western Philippine blocks) are important domestic political payloads: delayed exploration or perceived obstruction

¹²⁵ John M. Peterson and Ma. Ana C. Rivera, “The Golden Age of White Hulls: Deciphering the Philippines’ Coast Guard Expansion,” *Social Sciences* 12, no. 6 (2023): 337, <https://doi.org/10.3390/socsci12060337>.

of resource projects has immediate distributive consequences for provincial revenues, employment, and the political fortunes of local elites and national firms.¹²⁷ Manila's attempts to pursue exploration or to revive joint development arrangements have repeatedly become legal, political, and electoral issues domestically. Reports and court rulings (including recent judicial invalidation of earlier joint-exploration arrangements) demonstrate that resource governance in contested maritime areas is contested at multiple domestic venues—the presidency, Congress, courts, and provincial administrations—producing legal politics as well as market and investor reactions.¹²⁸ Such domestic contestation shapes who captures rents, which firms are favored, and what promises politicians make to coastal constituencies.

The West Philippine Sea is a critical livelihood space for hundreds of thousands of Filipino fishers; IUU (illegal, unreported, and unregulated) fishing and the arrival of distant-water fleets have eroded catches and incomes. Scholarly and policy work documents the salience of IUU pressures and links them to domestic political demands for enforcement, subsidies, and social protection for coastal communities. Enforcement responses—ranging from high-visibility seizures to punitive regulations—reallocate rents across value-chain actors (from small fishers to processors and traders), sometimes generating local resistance when enforcement reduces customary access without alternatives.¹²⁹ Consequently, fisheries stress becomes a potent domestic mobilizer: mayors, governors, and members of Congress are pressured to deliver livelihood programs, fuel subsidies, and rapid enforcement that produce short-term political gains but complicate long-term governance.¹³⁰

¹²⁷ Stimson Center, “IUU Fishing Risk Profile for the South China Sea” (Washington, DC: Stimson Center, April 2025), https://www.stimson.org/wp-content/uploads/2025/04/Stimson-SCS-IUU-Report-2025.pdf.

¹²⁸ Associated Press, “Philippine court voids oil exploration pact involving China,” January 11, 2023, https://apnews.com/article/philippines-court-voids-oil-exploration-pact-involving-china; Reuters, “Philippines' PXP Energy eyes petroleum blocks in non-disputed areas,” April 29, 2024, https://www.reuters.com/business/energy/philippines-pxp-energy-eyes-petroleum-blocks-non-disputed-areas-2024-04-29/.

¹²⁹ Stimson Center, “IUU Fishing Risk Profile”; Jie Huang et al., “Improving China's Maritime Law Enforcement Operations and IUU Fishing Assessment,” “PLOS ONE” 19, no. 3 (2024): e0298971, https://doi.org/10.1371/journal.pone.0298971.

¹³⁰ Associated Press, “Philippine court voids oil exploration pact.”

Legal venues within the Philippines have become important arenas for domestic politics tied to the SCS. Constitutional restrictions on the state's control over natural resources, litigation over exploration pacts, and judicial review of executive agreements mean that courts—especially the Supreme Court—play consequential roles in shaping what energy and development options are politically feasible.¹³¹ When litigated outcomes block certain arrangements (for instance, voiding previous joint exploration agreements), affected stakeholders—state firms, foreign investors, provincial governments—enter domestic political bargaining to reframe policy options, lobby for new legislation, or seek executive remedies. Legal contestation hence magnifies the domestic political salience of maritime resource issues and creates additional venues for rent-seeking and accountability claims.

Incidents in the West Philippine Sea resonate most strongly in frontline localities—Palawan and parts of Zambales and Pangasinan—where claims to maritime resources are proximate. Local elites and provincial governments convert national security attention into development claims: requests for bases, infrastructure, conditional transfers, and disaster-resilience programs become bargaining chips in center-periphery politics.¹³² This pattern turns maritime friction into distributive politics: politicians promising sea-side protection can use security investments to bolster electoral support, while local communities demand compensation and public goods in exchange for hosting military or enforcement infrastructure. In short, the SCS contest translates into routine political exchanges at the subnational level.

Media coverage of maritime incidents—collisions, blockades of resupply missions (e.g., BRP Sierra Madre at Second Thomas Shoal), and confrontations with coast-guard or militia vessels—shapes popular expectations that the state must produce visible signs of sovereignty and protection. Nationalist framing elevates the political payoffs for “tough” postures and constrains the range of acceptable domestic responses. Even when

¹³¹ Aileen S. P. Baviera, “Territorial and Maritime Disputes in the West Philippine Sea: Domestic Stakeholders and Policy Impact,” in “Territorial and Maritime Disputes in the West Philippine Sea” (Quezon City: University of the Philippines Center for Integrative and Development Studies, 2016), 45–68.

¹³² De Castro, “The Philippines Confronts China”; Associated Press, “Filipino forces on alert after China deploys coast guard ships closer to disputed shoal,” March 28, 2025, <https://apnews.com/article/philippines-china-south-china-sea-shoal-coast-guard-ships-0a9c8b7e7a5d4a8b9c0b9c0b9c0b9c0b>.

external diplomacy remains calibrated, politicians respond to domestic audiences by staging patrols, publicizing enforcement successes, and promising compensation to affected fishers—actions that have redistributive costs and bureaucratic consequences. Research on Philippine political discourse shows how sovereignty rhetoric can be instrumentalized in domestic politics to mobilize support, deflect criticism, or justify budgetary reallocations.

U.S.–China competition in the South China Sea affects the Philippines primarily by reshaping internal political incentives and institutional arrangements. The rivalry has elevated constabulary instruments (coast-guard empowerment), re-weighted civil–military and inter-agency competition, heightened domestic legal and judicial contestation over resource governance, intensified livelihood-driven distributive politics among coastal communities, and turned local frontline localities into arenas of bargaining over infrastructure and social benefits. These domestic mechanisms matter for governance outcomes—who gains access to rents, which agencies grow in authority, and how public expectations about sovereignty and livelihood protection are managed—irrespective of Manila’s external posture. Understanding the Philippines’ internal translation of great-power rivalry is therefore essential for explaining policy choices, institutional change, and distributive patterns at home.

4.3.6 China-US Contestation and Cambodia

ASEAN faces two fundamental issues: maintaining the cohesion of the organization, and controlling the Sino-American rivalry in the region. Being part of this bloc, Cambodia has to strategize how to deal with the US-China competition in a way that will shape its political restructuring, economic growth, foreign relations, and even defense policy.¹³³ This makes Cambodia one of the southwestern countries caught in the cross fire of the war between the China and the US. Balancing these relations puts Cambodia in a very sensitive position where the interests of the nation have to be protected at all cost. Cambodia seeks to extract all possible benefits from this rivalry — which requires a careful balancing act in relations with China if ties with the U.S are to be maintained. In this sense, both countries play a major role in Cambodia’s social, political, economic, and security development, and thus, working with both

¹³³ Veasna Var, ‘Cambodia: Between China and the United States,’ *The Diplomat*, May 20, 2015, <https://thediplomat.com/2015/05/cambodia-between-china-and-the-united-states/>

powers is vital and inevitable in pursuit of a right, balanced and prudent outcome for Cambodia.

The July 2013 national elections showed the contrasting interests of the U.S and China in Cambodia. Both the ruling and opposition parties exploited these international relations for political gain. Opposition leader Sheila Jackson Lee noted that with democracy, freedom, human rights and justice at stake, the opposition turned to the U.S and the West for support. American lawmakers responded with threats to cut aid if the elections did not meet a standard of credibility and competitiveness. After the election, the U.S and the European Union issued statements calling for an independent investigation into allegations of vote rigging, but China quickly moved to endorse the results and congratulated Prime Minister Hun Sen and his ruling Cambodian People's Party, or CPP. The strong ties between Cambodia and China were further cemented with the visit from Chinese FM Wang Yi.

The U.S and China have pursued different aid and development strategies in their quest to woo Cambodia. U.S seeks to advance social, economic, and political development; democratization; trade and investment; regional security; civil society and human rights. On the other hand, China nevertheless emphasizes infrastructure building including roads, bridges and public buildings without attaching conditions. Whereas the U.S wants to bolster democracy and the rule of law in Cambodia, China is interested in natural resources, business opportunities and a political foothold. U.S aid has tight conditions, but Chinese aid is 'no strings attached'.¹³⁴

Cambodia's alignment with China can be detrimental to human rights, good governance, and democratization efforts, threatening trade and investment with the U.S and other West countries, especially in the garment sector, as nearly 70 percent of its products being exported to the U.S market. On the other hand, aligning with the U.S could cause China to pull back or slow major projects and aid. However, C. U.S pressure for political reforms could achieve reduced corruption and better respect for human rights and freedom of expression in Cambodia.

¹³⁴ Charadine Pich and Chhengpor Aun, 'How Small States Navigate U.S.-China Rivalry: The Case of Cambodia,' *Southeast Asia in a World of Strategic Competition* by USIP, September 19, 2023,

In 2014, tensions escalated, with confrontations between China and both Vietnam and the Philippines over territorial disputes. China's refusal to engage in arbitration over the issue and its growing assertiveness in the SCS would have made ASEAN's attempts at responding via joint statements and other diplomatic initiatives relatively toothless.

China's continued reclamation of land and militarization of disputed features were among the regional concerns that led ASEAN to express serious concerns and urge restraint. In addition, the US held freedom of navigation operations (FONOPs) in the SCS that tested Chinese maritime claims, which intensified disputes.

David Santoro, 'Danger Point: China, the United States and the SCS,' *Diplomat*, June 19, 2015; ASEAN Ministerial Meeting, 'Joint Communique of the 48th ASEAN FMs Meeting,' The 48th ASEAN FMs Meeting, August 10, 2015. In the context of COC negotiations, diversions were evident at the ASEAN-China FMs' Meeting, symptomatic of ASEAN's difficulties in maintaining cohesion in the face of China's assertive behaviour.

In spite of diplomatic maneuvers involving international outcries from the US-China discourses and advocating US FONOPs, the tension continued prevailing inside the SCS, where disputes failed to yield significant solutions.¹³⁵

Although Cambodia is not a principal claimant in the central South China Sea disputes, great-power competition between the United States and China has important “domestic” political effects inside Cambodia. These effects operate through multiple, interconnected channels: elite politics and patronage, state capacity and administrative reconfiguration, civil-military and security-sector dynamics (including the politics around Ream and naval infrastructure), resource and livelihood governance (fisheries and riverine/coastal environments), social and environmental grievance, and the politics of development-led legitimacy. This essay examines those domestic mechanisms—deliberately excluding analysis of Cambodia's external alignment or

<https://www.usip.org/publications/2023/09/how-small-states-navigate-us-china-rivalry-case-cambodia>
¹³⁵ Sovinda Po and Christopher Primiano, 'An 'Ironclad Friend': Explaining Cambodia's Bandwagoning Policy towards China,' *Journal of Current Southeast Asian Affairs* 39, no. 3 (2020): 444–464 doi: 10.1177/1868103420901879

formal foreign-policy choices—and draws on peer-reviewed scholarship and high-quality policy research.¹³⁶

Chinese investment and development finance have become salient instruments in Cambodian domestic politics. Large infrastructure projects, BRI-linked loans, and investment agreements flow into a political system where state leaders and party networks allocate rents and patronage. Scholars show that Beijing’s financial presence has been absorbed into Cambodia’s domestic political economy, strengthening incumbent networks by providing resources for visible projects—roads, stadiums, canals, and urban redevelopment—that can be translated directly into localized political support. This dynamic alters domestic incentives: political actors compete over access to Chinese-funded projects and associated contracting opportunities, which reshapes coalition management, elite rivalry, and the distribution of economic benefits across provinces.¹³⁷

The inflow of large projects and the securitized environment around maritime and coastal sites places new demands on Cambodian administrative capacities. Managing major port and coastal upgrades, environmental impact assessments, resettlement processes, and contracting oversight requires technical ministries, provincial administrations, and judicial bodies to coordinate more effectively. Research on governance in Cambodia highlights a persistent problem of fragmented regulatory oversight and weak enforcement; the rapid concentration of capital behind large projects exposes these institutional gaps and intensifies contestation over permits, land titles, and environmental compliance. Such contestation often becomes a source of domestic political bargaining, as central authorities trade regulatory for political stability, or delegate oversight in ways that can entrench local patronage networks.

Security-sector dynamics acquire domestic salience when infrastructure upgrades are framed as necessary for sovereignty and protection of development. The modernization of naval or port facilities (for example, investments at Ream or expanded naval

¹³⁶ Melissa Marschke, “Life, Fish and Mangroves: Resource Governance in Coastal Cambodia” (Oapen, 2015), <https://library.oapen.org/bitstream/handle/20.500.12657/33237/528201.pdf?isAllowed=y&sequence=1>.

¹³⁷ “The Myth of Non-interference: Chinese Foreign Policy in Cambodia,” “Asian Survey” (2021), <https://www.tandfonline.com/doi/abs/10.1080/10357823.2021.1887813>.

logistics) not only affects defense institutions' budgets and prestige but also reconfigures domestic civil–military relations. Scholarship and policy analysis emphasize that investments in coastal infrastructure become loci for domestic resource competition: military and security elites lobby for greater authority, procurement contracts become sources of patronage, and local political actors campaign for basing-related jobs and infrastructure. The result is a domestically driven securitization of coastal development, where defense priorities and political economy intersect in ways that reshape institutional incentives and accountability.¹³⁸

Cambodian coastal and riverine communities depend heavily on fisheries and aquatic resources for subsistence and income. Regional degradation of marine and Mekong fisheries—driven by overexploitation, upstream dams, habitat change, and transboundary fishing pressures—translates into livelihood precarity that has clear political consequences. Peer-reviewed studies of the South China Sea region document depletion and IUU (illegal, unreported, and unregulated) fishing pressures; complementary work on Cambodia's coastal resource governance shows how local communities face loss of access, contested mangrove conversions, and contested resource allocations. These stresses channel political demands: villagers and local leaders press provincial and national authorities for compensation schemes, enforcement of fishing rules, livelihood assistance, or infrastructure investments. In short, the environmental and resource effects connected to regional contestation produce distributive politics and potential mobilization around local grievances.

High-visibility projects—ports, canals, special economic zones, and tourism-linked developments—often require land conversion and resettlement. Empirical research on Cambodia's recent development trajectory documents repeated instances in which large projects generate displacement, contested compensation, and local protests. When such projects are tied to geopolitically sensitive investments (or appear driven by foreign strategic interests), domestic reactions fuse environmental, economic, and political claims: residents may frame grievances in terms of loss of livelihood, erosion of traditional rights, or exclusion from the benefits of development. Politically, these conflicts can force the central government into ad hoc mediation, foster local opposition

¹³⁸ “The Myth of Non-interference: Chinese Foreign Policy in Cambodia.” “Asian Survey”. 2021. <https://www.tandfonline.com/doi/abs/10.1080/10357823.2021.1887813>.

networks, and become bargaining chips within intra-elite competition for control over project revenues and job creation.

Great-power rivalry also reshapes domestic narratives about modernization, sovereignty, and national dignity. Leaders can deploy development successes funded by external partners as evidence of competence and legitimacy; conversely, local activists and opposition figures may use the social and environmental costs of projects as proof of maladministration. The framing of coastal projects and security upgrades thus enters the symbolic politics of regime reinforcement or contestation: domestic audiences observe whether infrastructural promises materialize as jobs, services, and improved livelihoods—or as visible zones of exclusion. These symbolic effects are central to electoral politics, clientelist exchanges, and elite reputational competition.¹³⁹

U.S.–China competition in and around the South China Sea affects Cambodia not only through foreign-policy alignments but, crucially, through a set of domestic political processes. Chinese capital, strategic investments, and securitized coastal development become inputs into Cambodia’s political economy: they reconfigure patronage networks, stress administrative and regulatory capacity, politicize civil–military resource allocation, generate distributive pressures among vulnerable fishers and displaced communities, and reshape domestic narratives of legitimacy. Understanding Cambodia’s internal politics therefore requires attention to how international rivalry is translated into resources, institutions, and grievances inside the country—channels that determine who benefits, who loses, and how political authority is reproduced.

4.3.7 China-US Contestation and Vietnam

Vietnamese policymakers face a significant challenge in their foreign policy: balancing sovereignty and political autonomy while fostering stable, peaceful, and mutually beneficial relations with neighboring China. Traditionally, Vietnam is known to have conflictual cohabitation with China for more than a thousand years which formed peaceful undercurrents. Issues are more complicated now due to China’s growing power in the region. Vietnam aims at averting another round of being subdued by

¹³⁹ Associated Press, “China’s Leader Xi Jinping Holds Talks in Cambodia to Wrap Up His 3-Nation Southeast Asia Tour,” March 2025, https://apnews.com/article/f477b79fd3bb2a08455e95b66acff53c.

Chinese patronage while simultaneously not wanting to revive severely strained ties. The 1979 war, and the latter isolation resulting from Chinese policy, severely affect the geopolitics of Hanoi. Tactically, this means Vietnam's policy towards China accounts for peace, strategic cooperation, and some degree of assertiveness.

One of the most important partners to Vietnam is without a doubt the United States. The US is the leading provider of foreign direct investment into Vietnam and is expected to spearhead investment among advanced technology corporations, while also emerging as the biggest market for Vietnamese exports. From the period within the last decade, there is clear sustained growth in the two countries' trade relations.

Vietnam and the U.S are both signatories to the Trans-Pacific Partnership (TPP), a landmark agreement expected to diversify Vietnam's economic relations with developed economies across the Asia-Pacific region. This diversification is anticipated to reduce Vietnam's dependence on China while enhancing two-way trade and investment flows with the U.S. Strategically, Vietnam and the U.S share common interests in maintaining the current regional order, supporting China's peaceful rise, and upholding ASEAN's pivotal role in regional security. Both countries also share convergent interests regarding the SCS, advocating for peaceful dispute resolution based on international law, including UNCLOS 1982, ensuring freedom of navigation and over-flight, and promoting unimpeded lawful commercial activities. A segment of the CPV is concerned that the US will persist in its aim of 'peaceful evolution,' seeking to promote democratic changes in Vietnam. Additionally, they worry that US support for human rights activists could undermine CPV leadership.

Acknowledging that the US remains the predominant superpower, Vietnamese analysts view the future as increasingly uncertain due to China's continuing rise, which could shift the balance of power in China's favor. Officially, the CPV predicts that 'the multi-polar world is taking shape more clearly.' Consequently, Vietnam is concerned about the perceived relative decline of the US and the durability of its commitments while rebalancing its strategy to the Asia-Pacific.

Vietnam has a difficult dilemma to address regarding what the strategic rivalry between the U.S and China might mean for Vietnam concerning the possibility of their escalation. This could lead to Southeast Asia losing balance, losing its legitimacy, and creating a volatile situation that would be harmful to Vietnam's peaceful development

which is important economically. Vietnam does not want to be forced one way or another and attempt to not get caught up with the rivalry between the two superpowers. This approach attempts to maintain independence and freedom of strategic choices for Vietnam.¹⁴⁰

Vietnam sits on the front line of great-power competition in the South China Sea (SCS). While much literature focuses on Hanoi's external strategy, this essay isolates "domestic" political repercussions of intensified U.S.–China competition. Drawing on peer-reviewed studies and authoritative policy research, the analysis examines five interlinked domestic arenas: (1) securitization and elite signaling; (2) civil–military and coast-guard institutional politics; (3) resource governance (oil, gas, and state energy firms); (4) fisheries, livelihoods, and compliance reforms; and (5) administrative capacity, development politics, and social grievance. I deliberately bracket foreign-policy alignment and ASEAN diplomacy to focus on how international rivalry is translated into Vietnamese domestic institutions, interests, and political contention.

Incidents in the SCS—from disruptive encounters at sea to symbolic acts of reclamation—are routinely reframed within Vietnam as questions of sovereignty and regime competence. Under conditions of external pressure, Vietnamese political elites deploy nationalist rhetoric and visible enforcement measures to demonstrate control and legitimacy. This "securitizing" rhetoric is not neutral: it shapes public expectations for demonstrable state action (patrols, prosecutions, public ceremonies) and legitimates expanded budgets or visible displays of capability. Such symbolic politics matters in a one-party system where the Communist Party must both signal resolve and manage public opinion through tightly controlled nationalist discourse.¹⁴¹

SCS pressure has reshaped the internal balance between military, paramilitary, and civilian maritime agencies. Vietnam's rapid coast-guard modernization and expanded "blue-boat" fleet reflect institutional competition for mandates, resources, and public

¹⁴⁰ Tran Thuy, 'Vietnam's Relations with China and the US and the Role of ASEAN,' *Security Outlook of the Asia Pacific Countries and Its Implications for the Defense Sector* 14, no.14 (2016): 87-95, https://www.nids.mod.go.jp/english/publication/joint_research/series14/pdf/chafter08.pdf

¹⁴⁰ Abdul Malik Omar, 'Brunei Between Big Powers: Managing US-China Rivalry in Asia,' *The Diplomat*, November 30, 2018, <https://thediplomat.com/2018/12/brunei-between-big-powers-managing-us-china-rivalry-in-asia/>

¹⁴¹ Nguyen Hùng Sơn and C. J. Jenner, "Domestic Politics: The Overlooked Undercurrent in the South China Sea", in "The South China Sea" (Cambridge: Cambridge University Press, 2016).

visibility. Upgrading the Vietnam Coast Guard (VCG) and related maritime surveillance assets strengthens the standing of those organizations vis-à-vis the navy and other security organs, while generating procurement politics, budgetary bargaining, and patronage opportunities. These institutional struggles have domestic political consequences: they reconfigure career incentives, create new administrative fiefdoms, and channel investment to particular shipyards, provinces, and bureaucracies. The emergence of a more capable VCG also changes how the state presents authority at sea—an outcome with direct domestic political payoffs in legitimacy and regime stability.

Hydrocarbon resources in contested waters are a persistent source of domestic political consequence. Vietnam's offshore oil and gas projects—exploration blocks, production sharing agreements, and state enterprise activity—are intimately tied to domestic distributive politics because state oil firms (notably PetroVietnam) act as major revenue engines and sources of technical employment for coastal provinces. Episodes of coercion or interference (for example, high-profile confrontations that have disrupted drilling activity) produce visible domestic effects: delays in projects, contested contractor awards, and pressure to protect national champions. Disruptions thus translate into domestic debates over industrial policy, employment guarantees in coastal provinces, and the allocation of state rents—politics that stimulate lobbying by provincial leaders, state enterprises, and Party cadres for protection, subsidies, or compensatory investments. Notably, the 2014 HYSY-981 (Haiyang Shiyou 981) incident and recurrent disputes over exploration blocks have repeatedly generated such domestic ripples, intensifying state attention to energy security and local economic stabilization.¹⁴²

Fisheries and coastal livelihoods are immediate transmitters of SCS competition into everyday politics. Vietnamese small-scale fishers face competition from distant-water fleets, habitat decline, and episodic exclusion from traditional fishing grounds—pressures that reduce incomes and increase demands on provincial officials and MPs for relief measures. The government's response has included regulatory reforms aimed at combating IUU fishing and re-territorializing maritime governance (licensing, vessel

¹⁴² "Oil, Gas, and the South China Sea," Institute for Energy Research (report on HYSY-981 and related incidents), (2021).

traceability, and returns-to-port rules).¹⁴³ Such compliance reforms, many motivated by external (EU and international) incentives, carry domestic political consequences: they produce enforcement burdens, shift rents among actors (fishery cooperatives, private processors, local officials), and sometimes provoke localized resistance when enforcement reduces customary access without offering viable alternatives. In short, fisheries stress feeds distributive politics and shapes elite responsiveness at the commune and provincial levels.

Large infrastructure, port projects, and coastal development—especially where foreign capital or strategic interest is involved—place pressure on Vietnam’s administrative and regulatory systems. Project-linked employment and contracting provide distributive opportunities that local and provincial elites seek to capture; at the same time, environmental impacts and displacement risks produce social grievance that may be mediated through Party channels or co-opted by local powerbrokers.¹⁴⁴ When projects in contested maritime zones face delays due to security frictions, the domestic fallout is felt in provincial budgets, contractor claims, and political promises related to jobs and social services. Moreover, foreign investor pullbacks from sensitive offshore sectors (as in several recent energy and renewables decisions) produce reputational and economic costs that echo into domestic politics—weakening local growth expectations and altering commune-level patronage calculus.

U.S.–China competition in the South China Sea structures Vietnamese domestic politics by refracting external pressure through institutions, interests, and social groups. It legitimizes securitization and nationalist signaling; reorders civil–military and coast-guard institutional competition; re-prices energy and resource rent politics centered on PetroVietnam and coastal provinces; intensifies distributive conflict around fisheries and livelihoods; and stresses administrative capacity, producing development-linked grievance. These domestic mechanisms matter for governance outcomes in Vietnam—how budgets are set, which agencies gain authority, who benefits from coastal development, and how social grievances are managed—regardless of Hanoi’s external diplomatic choices. Understanding the SCS therefore requires careful attention to the

¹⁴³ Reuters, “Vietnam island building in Spratlys may soon surpass China’s, report says,” (August 22, 2025).

¹⁴⁴ Reuters, “Equinor halts Vietnam offshore wind plans, to close Hanoi office,” (August 23, 2024).

internal translation of great-power rivalry into domestic political incentives and institutional change.

4.3.8 China-US Contestation and Brunei

As a microstate, Brunei has a radius of action, and cannot avoid the impact of international relations, especially the rivalry between China and U.S which, both have been quite vociferous in their quest for supremacy in the Asia-Pacific. When it comes to Brunei's development, it deeply relies on the diplomatic and trade negotiations, even though there is little which can be done by Brunei to influence these superpowers.

Brunei has a good relationship and friendship with the U.S with whom it has had enduring and cordial relations, relying on American military protection for its sovereignty and independence. The U.S has a major role in guaranteeing the security for Brunei, which is amply illustrated by the Astonishment of Brunei coming to Washington to meet President Obama in 2013. However, globally, Brunei started losing his credit when in the same year, his government began implementing Sharia law, which gave power to the west to condemn more his monarchy. This was made worse by the win of Uncle Donald. Brunei's image started to be even lower after the election of President Donald Trump. His presidency loosened the America's appeal soft power in the sultanate because off his ostensible Islamophobia, spilling more blood on the Bonnie's already poor relations with the United States.

Meanwhile, China has become an increasingly vital economic partner for Brunei. As the largest investor in Brunei's economy, China's involvement has helped alleviate issues like rising youth unemployment. The \$12 billion Hengyi petrochemical plant exemplifies the critical role of Chinese investments in stabilizing Brunei's economy following the 2013 oil crash. Additionally, China has announced a joint partnership with Brunei to drill oil in the contested SCS.

Nonetheless, China's SCS military base construction and other assertive activities could pose challenges for Brunei's relationship with other ASEAN nations. Brunei may be distanced from some of the other ASEAN countries who hold positions in the SCS if China is seen as too friendly. These countries depend on the 'centrality' and cohesiveness of ASEAN to resist China's geopolitical power, which could be compromised if Brunei is uncooperative. A range of complex factors continues to shape Brunei's foreign policy. Identifying the motivations

behind a nation-state's foreign relations can be challenging, especially concerning Brunei's interactions with China and the United States.

Table 4.2: Multifactor Assessment of South China Sea States' Foreign Policy Strategies

FACTOR	Philippines	Vietnam	Malaysia	Indonesia	Brunei
Strategic Alignment	US	Leaning	Hedging	Hedging	Neutral
Security Posture	Expanded US Ties	Modernizing	Joint Drills	Modernizing	Minimal
Domestic Politics	Nationalist	Controlled Nationalism	Politicized	Strong Nationalism	Controlled
Economic Vulnerability	High	Medium	High	High	Very High
ASEAN Diplomacy	Assertive	Active	Advocate	Leading	Low Profile

“Table reflects the author's synthesized research conclusions.”

However, one clear motive for Brunei in aligning with these major powers is to ensure its long-term survival as a sovereign, independent state. The great power that can best guarantee this will likely secure Brunei's partnership and move closer to achieving geopolitical dominance in the Asia-Pacific.¹⁴⁵

The Domestic Political Implications of U.S.–China Competition in the South China Sea for Brunei

¹⁴⁵ Sufrizul Hussein, 'Why Brunei is Hedging Between the U.S. and China,' *Southeast Asia in a World of Strategic Competition* by USIP, October 26, 2023
<https://www.usip.org/publications/2023/10/why-brunei-hedging-between-us-and-china>

Although Brunei is a small littoral state with a relatively muted public profile on South China Sea (SCS) contestation, the intensifying strategic competition between the United States and China still produces concrete ““domestic”” political effects. These effects operate through Brunei’s political economy (especially its need to diversify from hydrocarbons), resource governance (offshore oil and gas and fisheries), administrative and maritime-capacity constraints, elite and patronage politics tied to foreign investment, and the symbolic politics of sovereignty and development. This essay examines those internal mechanisms—deliberately excluding Brunei’s external diplomatic choices—and grounds claims in peer-reviewed and high-quality policy literature.

Brunei’s long-term economic model has been based on hydrocarbons; with reserves projected to decline over coming decades, diversification—often involving foreign investment—has become a central domestic priority.¹⁴⁶ Research shows China has emerged as a major economic partner, and Beijing-linked projects, finance, and trade opportunities are absorbed into Brunei’s elite management and distributive politics. Chinese-funded projects provide visible infrastructure and commercial rents that the Sultanate’s elite can allocate to sustain political support, making foreign capital an instrument in domestic coalition maintenance. Consequently, U.S.–China competition that affects investor choices or project terms becomes a domestic political variable: it changes where rents flow, which domestic actors benefit, and how economic diversification is politically managed.

Offshore oil and gas remain central to Brunei’s public finances and provincial employment. Contestation in the SCS—whether through contested maritime activity, uncertainty about exploration, or broader regional coercion—raises the political salience of protecting hydrocarbon income streams.¹⁴⁷ Scholarly work on Brunei emphasizes that energy-sector risks are translated into domestic distributive politics: state-owned and state-linked firms, local contractors, and coastal communities press for guarantees, subsidies, or infrastructure investments when exploration or production faces interruption. Thus external strategic pressure is converted into internal bargaining

¹⁴⁶ “Brunei’s Silent Claims in the South China Sea,” “Heliyon” (2024).

¹⁴⁷ Guanie Lim, Chang-Yau Hoon, and Kaili Zhao, “Rethinking Brunei–China Economic Relations,” “Journal of Current Southeast Asian Affairs” (2023).

over licensing, employment guarantees, and revenue allocation—shaping ministerial priority-setting and elite negotiating leverage.

Though Brunei's fisheries sector is smaller than those of larger littoral states, coastal livelihoods remain important locally. Regional studies of SCS fisheries show widespread overexploitation and IUU pressures; where distant-water fleets and gray-zone tactics affect fishing access, even small fishing communities can face meaningful income shocks. For Brunei, such shocks are translated into local-level demands on district administrators and ministries for enforcement, compensation, fuel subsidies, or restructuring of permit regimes. The result is distributive politics at a modest scale—but politically consequential for local leaders who must deliver tangible benefits in a small polity where local grievances can quickly become salient.

Brunei's ability to monitor and enforce its EEZ depends on limited assets and inter-agency coordination. Regional scholarship on coast-guard evolution and maritime-domain awareness highlights that smaller states face acute capacity constraints and therefore must choose how to allocate scarce patrol resources, surveillance investments, and legal instruments. In Brunei this translates into internal debates over procurement priorities, whether to strengthen coast-guard capabilities or rely on diplomatic risk-mitigation and partnership, and how to distribute budgetary resources across ministries. Those administrative choices produce winners and losers inside the state apparatus—naval or constabulary actors, procurement beneficiaries, and agencies charged with licensing—and thus are politically salient domestically.¹⁴⁸

Brunei's development projects—port upgrades, tourism infrastructure, and industrial zones—are often advanced as diversification strategies. When such projects involve foreign strategic partners or are situated in coastal zones, they create local expectations about jobs and services. At the same time, they pose environmental and displacement risks that can generate social grievance. In Brunei's tightly managed political environment, such grievances are handled through elite negotiation and administrative channels; nevertheless, contested outcomes (delayed benefits, perceived unfair contracting, or inadequate consultation) can produce localized political pressures that the central government must address through distributive adjustments or regulatory concessions. These negotiations over development outcomes thus become one locus where great-power competition is refracted into domestic politics.

¹⁴⁸ “*Joint management and joint development prospects in the South China Sea*,” “Marine Policy” / Elsevier (discussions of fisheries and joint resource approaches).

Even where Brunei avoids overt diplomatic confrontation over maritime claims, symbolic politics matters. Visible gestures—upgrading ports, hosting foreign-funded facilities, or investing in maritime surveillance—serve to signal sovereignty and modernization to domestic audiences. Because Brunei’s political legitimacy is closely tied to the Sultanate’s ability to provide prosperity and order, Sino-oriented investment that visibly improves infrastructure can be politically useful. Conversely, any perception that external rivalry threatens economic continuity or local livelihoods can become a source of elite concern and administrative action. Thus the interplay of symbolism and material benefit makes great-power competition an input into the Sultanate’s domestic legitimating narratives.

Brunei’s limited public footprint on SCS confrontation masks a set of concrete domestic political mechanisms through which U.S.–China competition matters. Strategic rivalry influences elite patronage and the allocation of rents from Chinese investment; re-frames hydrocarbon rent politics and employment guarantees; produces distributive pressures on fishers and local communities; forces administrative choices about maritime enforcement and procurement; and becomes embedded in symbolic projects of modernization and sovereignty. In a small, highly centralized polity like Brunei, these channels are compressed but politically potent: changes in where investment flows, how projects are administered, and whether coastal livelihoods are protected translate quickly into internal bargaining among elites and between state and local constituencies.¹⁴⁹ Recognizing these mechanisms clarifies how the SCS contest is felt domestically even in states that publicly pursue a low-profile external posture.

4.3.9 China-US Contestation and Singapore

The U.S has maintained formal diplomatic relations with Singapore since 1836, when American representation was established with a consulate in Singapore. Since that time, the two countries have nurtured a close partnership, especially with regard to economic, defense, and political cooperation. May 12, 2022 was a significant day for their relationship: It was when the U.S invited ASEAN member states — including

¹⁴⁹ Asia Maritime Transparency Initiative / CSIS, “Managing the Rise of Southeast Asia’s Coast Guards” (backgrounder/report on maritime enforcement evolution).

Singapore — to a special summit at the White House. This summit was a significant milestone for the U.S Indo-Pacific Strategy.

Singapore was concerned about the risks of U.S Indo-Pacific Strategy in trying to counter China's rise. Singapore warned that an over-focus on China by the U.S could spark a new Cold War that will 'split the international community.' Instead, Singapore defended a FP that puts Southeast Asia's common interests ahead of U.S strategic interests in relation to China's regional influence. In Singapore's view, international relations take place in an anarchic system, where no state can be forced to bend to the will of another state. This keeps Singapore diplomatic position neutral in U.S -China rivalry, ensuring its interest and regional stability rather than siding.

While Singapore has strong ties with the U.S , it has never wavered from its pursuit of an independent, neutral foreign policy. As the United States' strongest partner in ASEAN, this neutrality can nonetheless jeopardize relations with the U.S at a time when bilateral economic and security cooperation is at stake. But Singapore's FP is guided by a strategic calculus that prioritizes survival and stability, which seeks to balance great power competition rather than pick sides. Realist therepists would probably call this as Singapore's best approach in a U.S -China world, to serve as a 'lubricant'; encouraging cooperation between the major powers while balancing against the worst excesses of power politics.

On the other hand, Singapore has thread the (geopolitical) needle when it comes to its relations with China. Although the country has historical and cultural connections to China, it has long sought to avoid siding with either side in the geopolitical rivalry between the U.S and China. Singapore's neutrality reflects a realist orientation, in which national survival is all, and keeping clear of great power competition is viewed by Singapore as the optimal means of protecting its strategic interests. This is made more complicated by the fact that 74 percent of Singapore's population is ethnically Chinese, creating occasional tensions between the nation's domestic identity and foreign policy. Still, Singapore's foreign policy prioritizes multilateralism and cooperation with other members of ASEAN and eschews rifts within the regional bloc.

Singapore is heavily influenced by its limited territorial resources, multi-ethnic society, and strategic location between Malaysia and Indonesia; this has shaped its domestic foreign policy. With these vulnerabilities in mind, Singapore's diplomacy is motivated

by the need to balance power in the region, as well as to safeguard its sovereignty. According to realist theory, smaller states like Singapore are subjected to the pressures of great power politics, and they often serve to be 'price takers' not 'price makers'. In order to handle these vulnerabilities, Singapore adopts a multipolar approach, whereby FP decisions are negotiated upon to reach consensus under national interests and regional construct of ASEAN members. This article argues that Singapore pursues a neutral diplomatic position as it allows the island city to balance the dangers presented by regional and global power rivalry with its more comprehensive strategic objectives.

Overall, the foreign relations strategy for Singapore is one of pragmatic balancing between the major powers, particularly in terms of U.S -China relations, but more broadly in its international diplomacy as well, with a strong emphasis on neutrality, as well as multilateral cooperation. Its strategic objective is to protect national survival and regional stability, eschewing entrapment in great power contests while fostering cooperative structures in ASEAN and beyond.

Tensions escalated in 2014 with clashes between China and Vietnam and the Philippines over territorial claims. ASEAN members' efforts to deal with the situation, either through joint statements or diplomatic initiatives, were prevented by China's refusal to submit to arbitration and its subsequent assertiveness in the SCS.

The report also added that China's ongoing militarization and reclamation of territorial features of great dispute raised regional concern, while ASEAN members offered serious concerns and

Table 4.3: Strategic Risk Levels and Policy Notes of South China Sea Countries

Country	Risk Level	Notes
Vietnam	Very High	Direct claimant; confrontational with China; increasing defense ties with US & Quad
Philippines	Very High	Direct claimant; military alliance with US; recent confrontations with China (e.g., BRP Sierra Madre)
Malaysia	High	Direct claimant; moderate balancing; faces Chinese incursions but avoids public escalation
Indonesia	High	Not a claimant; faces pressure near Natuna EEZ; strong on sovereignty; strategic hedging
Brunei	Moderate	Silent claimant; economically reliant on China; low-profile diplomacy
Singapore	Moderate	Not a claimant; hosts US logistics hub; balances ties with China; diplomatically exposed
Cambodia	High (Indirect)	Not a claimant; aligned with China; undermines ASEAN unity; possible PLA access (Ream Naval Base)

“The table presents consolidated conclusions derived from the author’s research findings.”

called for restraint. The US also undertook FONOPs in the SCS to dispute China's maritime claims and this resulted in further hostilities between the two states. In 2015, ASEAN instituted diplomatic efforts through the ASEAN forums over the disputes of the SCS, where members raised the issues of China's aggressiveness towards the claims of other SCS bordering states. The level of consensus reached in the negotiations of the COC within the ASEAN-China FMs' Meeting showcased the difficulty ASEAN has in maintaining internal cohesiveness amid the growing external challenges, particularly from China. As a result of immeasurable international pressure and FONOPs along with US-China dialogue, tensions in the SCS managed to remain stable, although many disputes still remained unresolved.¹⁵⁰

Singapore is deeply integrated into the international political economy and sits astride one of the world's busiest maritime and aviation routes. While much commentary focuses on Singapore's external balancing, this essay isolates "domestic" political effects that follow from intensified U.S.–China competition in the South China Sea (SCS). Using peer-reviewed scholarship and reputable policy reporting, I show how the rivalry reshapes (1) defence and civil–military politics; (2) economic governance and trade-dependency politics; (3) regulatory and legal administrative adjustments; (4) social cohesion, public opinion, and elite signalling; and (5) technological and infrastructure resilience politics. I deliberately exclude analysis of Singapore's outward foreign-policy alignment and instead track how external rivalry is translated into internal institutional incentives, budgetary priorities, and distributive politics.

Heightened great-power friction raises the domestic salience of defence modernization as a visible marker of regime competence and national preparedness. Singapore's government has publicly increased defence allocations in recent years and showcased advanced capabilities in national ceremonies—a signaling strategy that serves domestic

¹⁵⁰ Xinyan Peng, 'Proceedings of the 2022 5th International Conference on Humanities Education and Social Sciences' *Singapore's Diplomatic Dilemma Under US-China Competition*, ICHESS, no.1 (2022): 41-48 DOI:[10.2991/978-2-494069-89-3_6](https://doi.org/10.2991/978-2-494069-89-3_6)

legitimation purposes as much as deterrence. Such procurement and capability development become political processes: ministries and agencies compete for capital and operational budgets, procurement decisions create domestic industrial and employment linkages (shipyards, defense-adjacent firms), and promotion and personnel management within the armed services and paramilitary organs are affected by new mission sets (maritime domain awareness, expeditionary logistics).¹⁵¹ These trends reshape civil–military relations by enlarging the stakes of military advice in budgetary and technical policymaking and by producing domestic constituencies (defense contractors, service branches, associated ministries) invested in continued modernization.

Singapore’s economy is exceptionally exposed to maritime trade flows; any prolonged disruption in the SCS (or the perception of elevated risk) has immediate domestic political consequences. The port and shipping ecosystem—employment in port operations, shipping finance, logistics, and re-export trade—is a potent domestic interest group whose welfare is linked to uninterrupted sea-lane access. Policymakers therefore face distributive pressures to protect trade infrastructure, subsidize resiliency measures (e.g., insurance, alternative routing), and support firms reliant on Asia-Europe and intra-Asia maritime links. These choices produce domestic budgetary trade-offs and generate lobbying from business sectors that depend on a rules-based maritime order. Research and policy analysis underscore that Singapore’s place in regional supply chains makes domestic stability and economic continuity political priorities independent of formal diplomatic posture.¹⁵²

Sustained rivalry encourages institutional reforms that have clear domestic political content. Singapore’s longstanding “Total Defence” framework has been regularly updated to incorporate cyber, economic and civil contingencies; in practice this broadening requires new administrative instruments, interagency coordination mechanisms, and legal scaffolding (for critical-infrastructure protection, recovery planning, and private–public cooperation). Debates over how to regulate port security, foreign investment screening, and critical technology transfers become domestic political debates about administrative capacity and civil liberties trade-offs. Ministries that gain expanded mandates (home affairs, transport, defence, finance) therefore increase their

¹⁵¹ Financial Times. 2024. “*Singapore boosts ‘poisonous shrimp’ defence as US-China tensions rise.*” “Financial Times”, August 2024.

¹⁵² International Institute for Strategic Studies / Reuters reporting. 2025. “*Simulated Chinese blockade of Taiwan reveals Singapore as lifeline.*” “Reuters”, August 8, 2025.

domestic influence, while judicial and parliamentary oversight bodies face pressure to interpret new instruments—changes that create both winners and losers within the state apparatus. Scholarly treatments of Singapore’s adaptive defence and governance arrangements highlight how institutional change is often driven by domestic concerns about continuity and resilience rather than external signaling alone.

Great-power friction in the SCS can be refracted into domestic symbolic politics in Singapore. Political elites and state communicators manage public expectations through calibrated narratives about sovereignty, resilience, and economic continuity. Visible displays—military parades, civil-defence exercises, and public messaging—help sustain public confidence, but they also raise expectations for government performance. When elite signaling (e.g., promises of protection for jobs and trade) is unmet by concrete measures, domestic criticism—especially from business associations or stakeholder groups—can amplify. Conversely, public opinion in Singapore is pragmatically oriented; the domestic political effect is therefore often to reinforce technocratic governance and to strengthen support for policies that promise continuity rather than confrontation. Academic and policy sources on Singapore’s political management show that such framing is a core tool for preserving domestic legitimacy amid external stress.¹⁵³

Modern rivalry elevates non-kinetic threats—cyber operations, information interference, and supply-chain coercion—which have important domestic political ramifications. Protecting financial markets, port IT systems, and logistics chains requires investments in cybersecurity, redundant systems, and tighter regulatory standards. Decisions about where and how to invest produce domestic distributional effects: technology firms, state investment vehicles, and certain ministries gain influence and budgets. Because Singapore positions itself as a regional hub for finance and high-tech services, the domestic incumbency has strong incentives to prioritize resilience measures that preserve economic competitiveness; these choices shape domestic industrial policy and create constituencies around survivability investments. Policy literature and recent reporting emphasize Singapore’s growing focus on digital defence and infrastructure hardening as politically prioritized items.

U.S.–China competition in the South China Sea manifests in Singapore less as forcing a public choice of alignment than as an engine of domestic political change. It drives defense modernization that reshapes civil–military bargains; it generates distributive

¹⁵³ Pang, Yong-hock, and related scholarship. 2021. “Managing China–Singapore Relations Amid US–China Rivalry.” ISEAS/RSIS background paper (PDF).

pressures on port, shipping, and trade-dependent sectors; it necessitates regulatory and administrative reforms that reallocate domestic authority; it fuels carefully managed symbolic politics around national resilience; and it elevates technological and cyber-resilience as politically salient domains. In each instance, external rivalry acts as a multiplier of existing domestic institutional logics: Singapore's technocratic state adapts by reallocating authority, budgets, and policy instruments to preserve continuity, legitimacy, and the city-state's central economic functions.

4.4 Conclusion

The Southeast Asia region SCS has drawn conflicts from both regional and global politics, including China and the U.S , due to its resource abundance and strategic positioning. China and U.S aid conflicts, while China has sought control of lower South Eastern China sea, other nations in Southeast Asia, including the U.S , have chosen sides, forming alignments to assist in counter factoring American policies and influence in the region. The U.S has taken on a proactive role by using its economic influence to meddle into ASEAN decision making, even though it has undermined the intra-regional self-help system by trying to instill democratic values which feud with the Asian form of authoritarianism. More dependent countries such as Cambodia are left at the risk of surrendering their autonomy if they chose to play into America's hand.

The militarization and expansionism by China has created new clashes leading to the rise of American conflict over the Vietnam and Philippine territories, leading to increased tension in the region. Despite ASEAN caring out diplomatic dealings, disputes were worsened when China refused to arbitrate. The FONOPs also worsened the relations with the U.S During this period, there was a focus on multi-lateral forums as a means to reach an agreement to counter China's growing control, however, the lack of unity within the group, resulted in failure to reach an agreement. An increased focus from the world's superpower, even with global pressures, still left the SCS tension unresolved.

CHAPTER FIVE

POTENTIAL FUTURE SCENARIOS FOR THE SOUTH CHINA SEA REGION

It is clear how the strategic position of the SCS along with the likelihood of resources in it has made the focus of both regional and global political confrontations. International Disputes over sovereignty and maritime boundaries have worsened particularly between superpowers like America and China. Some countries prefer to sit quietly and not argue with China, especially where business is concerned. Others prefer to side with America and oppose China's expansionist policies. When it comes to international conflicts of such natures, countries mostly follow one of the three approaches: cooperation, escalation and stall. In a cooperative approach, the main focus is to solve disputes with the use of diplomatic negotiations rather than violence or military force. In contrast, an escalation strategy relies on coercive diplomacy or military force to dominate and assert control over specific areas of contention. The third most utilized strategy is most frequently referred to as stalling. This is where a state asserts its claims for a given territory but without taking any active hostile action. This gives the ability for weaker powers to amass for a period of time while not engaging in active conflict, and deepens a country's position in multi-faceted claims. Due to a multitude of geopolitical, economic, and environmental reasons, the future of SCSR is uncertain.

This chapter is based on five sections, i) Continued militarization and rising tensions, ii) Peaceful resolution through diplomacy, iii) Status quo with ongoing disputes iv) Key considerations for the future of US-China-southeast Asia relations V) Conclusion.

5.1 Continued Militarization and Rising Tensions

The SCS conflict has received great international interest because of the multiple and overlapping claims by various states, among which China is an important one. The strategic importance of the region comes from the sea shipping routes, fresh fishing waters, and the vast oil and gas reserves in the regions. China's territorial claims, apex like those on Spratly and Paracel Islands, have raised eyebrows of Southeast Asian countries and the US because of its military hegemony and self-augmented attitude.

The China's claims are based on its historical proclamations like the mostly known 1951 statement and 1958 attached declaration which integrated sovereignty over land and waters. The territorial expansive claims of the country was supported by its legal provisions like the 1992 Law on the Territorial Sea and Contiguous Zone and the 1998 Law on the Exclusive Economic Zone. But still, there is a lack of clarity, particularly on the 'Nine-Dash Line' which bounds, without legal definition, nearly eighty percent of the SCS. The lack of clarity makes the resolution of the disputes difficult which gives rise to fears about the motives of China regarding the hindrance of other claimant states in the use and exploitation of the resources in the region.

China focuses on SCS for economic growth, defense, trade, and power protection relative to its location. From the east, Taiwan region along with the sea could serve as the first line of defense while adding to global trading strength that aim to increase China's maritime power. At the same time, it refines trade routes for energy imports and other goods.

Economic in addition to security goals translates to these geostrategic objectives claiming dominancy over the sea for China to ease its geopolitical motives like controlling a regional trading hub along with growing affluent in mineral resources that most South Asian countries possess. Thus, the Southeast region becomes the center poised not just for battles within these nations but for a showdown of the militarily powerful countries across the globe.

The U.S has a vested interest in managing regional conflicts in regard to the SCS, which is of immense importance for maritime trade and military transit. Even though the U.S does not claim sovereignty over any of the disputed areas, the SCS is of strategic interest to the U.S in the Asia-Pacific region. The dispute between China and a number of Southeast Asian countries, including U.S allies, is a source of insecurity and instability. Furthermore, China's growing presence in the South East Asia region is a challenge to U.S interests. The U.S policy towards the SCS has shifted with the passage of time and in accordance to the region dynamic. Initially, U.S policy was passive but became more active after the Chinese occupation of the Mischief Reef in 1994. The

U.S State Department noted in 1995 that peaceable resolution of disputes and maintenance of order were vital concerns.

Starting with the mid-2000, especially during and after the 2008 financial crisis, China's persistent military assertiveness, increased attention to the region and economic resources caused concern to the US which at this point had a developed surveillance structure in place. Therefore, by 2010, the U.S started increasing its military and diplomacy endeavors in the region to contain China. Numerous remarks by U.S politicians such as Hillary Clinton and John Kerry during this time reaffirmed the commitment of the U.S government to reinstate balance in the region with observance of international norms. Also, America did not remain silent and condemned attempts made by China to restrict American surveillance and military actions in the region.

5.1.1 Potential for Military Clashes

Three critical scenarios could lead to military conflict escalation:

5.1.1.1 U.S -China Naval Confrontations: Within China's EEZ, there is the possibility of conflict because the U.S and China have different interpretations of what constitute military rights. The U.S military actions are deemed as aggressions by China, and the U.S claims it has the freedom to perform military activities in the sea.

5.1.1.2 China-Philippines Dispute over Natural Gas Deposits: Reed Bank is a hotly contested area where China usually hinders oil exploration by the Philippines. Consequently, the 1951 U.S -Philippines Mutual Defense treaty makes the U.S participation in case of a conflict, highly probable.

5.1.1.3 Strategic Misjudgement and Accidents: The 2009 incident where the Chinese submarine crashed into a U.S Destroyer exemplifies the military crisis that a miscalculation could lead to.

The balance in SCS, regionally and globally, still goes back to the United States. The US tries to balance conflicting security obligations without directly militarily engaging China. The U.S tries to remain neutral in the sovereignty disputes while advocating for

international law, order, and stability. The ongoing competition expresses the tendency of diplomacy and integration conflict prevention measures in the most crucial geopolitically region.

The U.S occupies a unique position within the ongoing power tussles over the SCS. The need to maintain a military neutrality requires guarding against direct military engagement with China, while also addressing regional security commitments. While refraining from actively supporting any freedom of action sovereignty claim, the US tries to sustain the order through legal structures and peace provisions. The ongoing rivalry illustrates why there needs to be more diplomacy and conflict avoidance to reduce the dangers in that crucial area of international politics.

5.1.2 Three Sources of Friction

The U.S is concerned with not getting beaten by China. China, on the other hand, is scared of being contained. And, Southeast Asia as a globalization's 'victim' has to do everything possible not to lose its identity, economic success, and political autonomy due to the competition between powerful states.

5.1.2.1 Comprehensive Securitization

Fundamental security threats, such as perceived ones, tend to dominate national agendas. These threats as perceived by China and the U.S are not only military in nature, but encompass economics, culture, education, diplomacy and multilateral relations with other countries. This broad scope of strategy has been labeled as 'comprehensive securitization', and it affects not only Southeast Asia, but also an array of regions from Latin America through Africa, Europe, the Pacific Island, to the Middle East.

Rising defense expenditures, the diversification of military activities, and heightened regional military presence are principal features of militarization in the conflict between China and America. There are also growing tensions in the SCS, Taiwan Strait, and the Korean Peninsula. The emergence of new quasi-allied formations, including QUAD, AUKUS, and the 'Partnership without Limits' between Russia and China, is both new and deepening these processes. On the other hand, the deepening of U.S security

relations with Asia including the Philippines, Japan, and South Korea also raises concern in China.

Securitization of space, Artificial Intelligence, and cyber activities represent new emerging dangers in the U.S -China rivalry. The geopolitical risks to global communications and vital social infrastructure systems such as financial, healthcare, and energy are enormous. The vulnerability exposed by the Crowd Strike's software patching error in July 2024 that wrecked global computer networks illustrates the extent state and non-state actors may exploit these gaps.

This securitization has so many deep economic effects. Both the US and China are trying to separate their technological, industrial, and social systems from each other which results in controlling exports, self-sufficiency in key areas like producing semiconductors, and attempts to build new markets and supply chains. Since neither side can turn off the other without consequence, both use tactics like tariff implementation, sanctions, and trade rules to capture third parties to fight their battles with them.

The exchange of ideas and culture has also been impacted. Chinese nationals in STEM disciplines and those who work for military or intelligence agencies face limits at American universities. The US ended the educational exchange program known as the Fulbright Program in China in 2020 which, in conjunction with these measures, has left China with few options. In turn, China has restricted Western access to some research facilities and to many archival documents. At the same time, the reduction of foreign influence has resulted in the curtailment of the activities of many non-governmental organizations that enabled the broad cooperation involving the US, China, and Southeast Asia.

5.1.2.2 Declining Free-Trade Impulses and the Rise of Industrial Policy

The U.S has implemented several measures affecting Southeast Asia, including:

Export controls on semiconductor technology.

Restrictions on transactions with firms sanctioned by the U.S (including Iranian, Russian, and Chinese companies).

Legislative prohibitions on transferring ‘sensitive’ data to China.

Restrictions on ‘intelligent systems’ such as remotely controlled infrastructure.

Tariffs on Chinese-origin goods and critical materials such as steel and aluminium.

China has responded with its own countermeasures, some of which lack transparency. These include expanded espionage laws that hinder due diligence by foreign firms, reciprocal tariffs on countries that impose restrictions on Chinese goods, and outright import bans on specific companies and nations. Additionally, Beijing has implemented export controls on critical materials and sought to offset declining trade with the U.S by increasing exports to other regions—leading to allegations of ‘overcapacity’ and market dumping.

Ironically, in an effort to counter China’s planned economy and non-market behaviors, both major U.S political parties have embraced industrial policy. This shift represents a departure from traditional free-market principles.

As the economic and technological rivalry between the U.S and China intensifies, its repercussions extend to Southeast Asia and beyond. ASEAN’s response has been to strengthen regional integration, expand diplomatic ties, and capitalize on tensions between the great powers. Regardless of the outcome of the 2024 U.S presidential election, current American policies are expected to persist, with an ongoing emphasis on economic security, industrial policy, and trade restrictions. Just like there is no reason to believe that China will return to the capitalist reforms of the late 1980s and 1990s under Xi Jinping, in the long run, internal discussions within China might cause some long-term shifts.

5.1.2.3 Increasing Ideological Conflict

As is the case in U.S -China relations, ideological friction remains central to the discussion. For example, the U.S increasingly frames competition as a struggle between democracy and autocracy while frequently invoking the Chinese Communist Party (CCP) instead of the Chinese government or people. To Beijing, this prompts frightening thoughts of possible efforts to cultivate regime change, which makes things worse.

China, on the other hand, has aligned with Russia, North Korea, and Iran in defiance of the post–World War II international order. It is this conflict of ideas that makes any accommodation between Washington and Beijing impossible. So, both sides attempt to drag more countries into their geopolitical contests, which exposes Southeast Asia to the negative consequences of the clash of these two countries.

5.1.3 Geopolitical Implications

Opposition to China's activities in the SCS has come from both global powers and regional actors. The U.S condemns China's land reclamation and military buildup, arguing it is destabilizing the region. At the same time, China argues its activities are sovereign in nature and seek to stabilize the region while rejecting unilateral international arbitration in favour of bilateral negotiations which serve to limit external influence.

China's assertive policies have increased regional militarization and elevated tensions with ASEAN countries. Despite the negative feedback, China's ultimate intent is to control the SCS and increase its geo-economic dominance over the Asia-Pacific through aggressive diplomacy and coercive measures.

China implements a sophisticated, multi-pronged FP that combines diplomatic overtures, administrative measures, and military action. It stops short of resolving disputes while advancing its claims and consolidating them using its economic and military clout to silence dissent.

This approach increases China's scope of influence regionally as well as globally challenge their existing systems, without a doubt threatening the international relations and economy of numerous countries.

Most of the times, conflicts regarding borders do not remain among the two focus parties, rather they extend to include the rest of the region. The violent confrontations of the SCS are a demonstration of this as violence and insecurity there affects the East and the Asia Pacific, along with their national defense strategies. Countries that would be impacted acknowledge that it is an important regionally political issue impacting the security spectrum of the region.

The geopolitical importance of the region raises the stakes of the dispute. The impact of the quarrel is not only for China and its neighboring opponents, like Vietnam and the Philippines, but also to other nations of the East Asia who benefit from peace in the region. The presence of important world actors, particularly the USA, makes the situation even more complicated. American attempts to get involved into the quarrel show how much they want to protect their interests by challenging China's dominance and actively entering the scope of the tensions.

The conflict in the SCS has affected international relations and alliances in a significant manner. There is an increase in the antagonism between China and its neighboring countries such as Vietnam and the Philippines, while the United States, Japan, Australia, Vietnam, and the Philippines are strengthening their relations. The enduring conflicts of the region serve both as a challenge to the governance of the region and as an international relations problem which in turn affects the political environment of the region, rather than leading to direct clashes within the region.

In addition, the conflict has also caused changes in the established strategic relations such as the formation of the Quadrilateral Security Dialogue (QUAD) that includes India, Japan, Australia, and the U.S as well as the AUKUS alliance comprising the United States, Australia, and the United Kingdom. The purpose of these alliances is to check China's influence in the region, as well as to prevent her from aggressively expanding into the SCS. While China is making attempts to improve relations with the other major powers in the region, her ability to strengthen diplomatic relations still

depends on how cooperative she will be in terms of providing peace and security in the area.

Moreover, the conflict in the SCS has an impact on the domestic policies in the region. The countries embroiled in the conflict have increased their national spending on the military, upgraded their defense capabilities, and expanded strategic coalitions to protect national interests. This shift demonstrates the overarching geopolitical impact of the dispute that goes beyond territorial claims and fundamentally redefines the strategic policies and international relations of the Asia Pacific region.

The dispute over the SCS is an issue of international and regional concern due to the inter-state relations that evoke more than bilateral hostility and animosity. The conflict of the SCS contributes to the ongoing strategic shifts, military modernization, and diplomacy which in the end influences the overall security arrangement of the Asia Pacific region.

5.2 Peaceful Resolution through Diplomacy

Diplomatic interactions and collaboration within the region, perhaps through an international body like ASEAN or the United Nations, may enable treaties that delineate maritime borders, resource allocation, and security provisions. This vision would assist in achieving stability and economic growth.

The cooperation between the Americas, China and the Southeast Asiatic region is important in defining not only the stability of the region but also the global order. There is some headway consensus from the different stakeholders in engaging (or not engaging) actively, at least on paper. On the other hand, they are beginning to see that rather the initial preconditions for engagement are getting increasingly difficult to put in place. The mere nonexistence of conflict is seen as a good thing when it comes to world peace, economic development, social advancement, and ecological conservation. Realizing long-term cooperation, though, is one of the issues that many have got to contend with.

5.2.1 The Evolution of Regional Cooperation in the Asia-Pacific

Perhaps one of the most remarkable success stories of the world in recent times is the Asia - Pacific region which has undergone rapid transformation since the end of the Cold War. It is commonly linked with peace, extensive economic enhancement, and free regionalism. This collective achievement, transformed by China, the United States, and even ASEAN (Association of Southeast Asian Nations) member states, indeed brought the region remarkable growth. The prioritization of economic development within national agendas and a strong national consensus on security neutral policies based on the minimization of conflict and resolution of disputes along with transcendence of ideological differences served as the cornerstone of this success.

The construction of sophisticated dialogues, stable communication, and functional strategic cooperation frameworks has had a major impact on the stability of the region and provided it with the peace it needed. Even though there is a historically low recognition of mutual identity between the major powers within ASEAN, a coalition of the smaller to medium-sized states was successful in driving in regional reconciliation and integration which in the end, resulted in the development of open regionalism focused on economic growth and cooperation.

5.2.2 The Shift from Asia-Pacific to Indo-Pacific

In the previous decades, the Indo-Pacific framework has increasingly featured in global discourse, pushing the Asia-Pacific construct into the background. While it is reasonable to consider the Indo-Pacific as a single geopolitical entity that incorporates the economically vibrant Indian Ocean region and the Asia-Pacific, the region's economy has overly complicated issues. As such, the dominance of the Indo-Pacific narrative has come to represent great-power competition, increased conflict, and exclusive rivalry among countries in a region.

China, the U.S, and ASEAN members have pointed out the risks that this shift poses, albeit to varying degrees. Regional stakeholders have to make a difficult choice about whether we should continue to support a cooperative model based on consensus, economic prosperity, and reasonable relations, or revert back to an era driven by military aggression, geopolitics competition, and deep ideological rivalry. The danger

is that such fragmentation risks reescalating confrontational geopolitics which can cause greater destabilization within the region.

5.2.3 Challenges to U.S –China–Southeast Asia Cooperation

5.2.3.1 Fragmentation and Bloc Politics The formation of new security-centered alliances in the Indo-Pacific, spearheaded by the U.S and its partners, has accelerated the deterioration of the ASEAN-centered architecture. Such tendencies pose risks for the Asia-Pacific cooperative framework with substantial implications for regional stability over the long term.

5.2.3.2 Economic Slowdown and Structural Vulnerabilities: The interlocking forces of de-globalization, trade protectionism, and the COVID-19 pandemic, and even geopolitical struggles— like the conflict in Ukraine—have thrown global supply chains into disarray. The combination of increasing inflation, financial volatility, and crippled macroeconomic systems have stifled most recovery attempts. Moreover, burgeoning debt loads in the developing countries of the Asia-Pacific region are putting severe fiscal pressure.

The shift in trade approach toward an industrial policy and economic nationalism for both the U.S and China has resulted in a decline of free trade, which in turn impacts the stability in the region's economy.

5.2.3.3 Security Concerns and Geopolitical Tensions: The competition over security between Washington and Beijing is a fiercely contested battle that, at the outset, has resulted in enhanced militarization, strategic distrust, and a zero-sum view of influence in Southeast Asia. Traditional security issues still remain, especially the continuing unresolved territorial and maritime disputes which can be used for geopolitical maneuvering. Alongside are the newer, more dangerous, and destabilizing phenomena such as an arms race, internal political instability, and nontraditional security challenges, including climate change, transnational crime, and poverty.

5.2.3.4 Ideological Divergence: The systematic fusion of policies causing separation within these two powers further increases the divergence of ideologies resulting in no hope for diplomatic compromise. Consequently, increased geopolitical rivalry drives

nationalism and ultra-conservatism in both countries at the same time. Because of the stiff competition among these great powers, Southeast Asia runs the danger of regional splintering as it is caught in the middle. Either choice made, be it aligning with Washington or Beijing would mean detrimental consequences to years of progress towards regional integration.

5.2.4 Opportunities to U.S –China–Southeast Asia Cooperation

5.2.4.1 The Continued Economic Rise of Asia: An increase of 2.4 billion people entering the income bracket of the middle class, predicted for 2030, will majorly be seen in the Asia-Pacific region. Growth potential is extremely high in China, the United States, India, Indonesia, and Vietnam. The region’s supply chains will be strengthened due to the integration of advanced technologies such as AI, big data, robotics, and IoT, which is expected to further escalate economic growth.

5.2.4.2 Enduring Commitment to Peace and Cooperation: Even with the rise in geopolitical conflicts, countries within the region remain focused on peace, economic progress, and multilateral relations. During the China-US-ASEAN seminar held in Bangkok, representatives from ASEAN, China, and the U.S participants voiced concerns about external attempts to influence allegiance in power rivalries and stressed the need for neutrality.

5.2.4.3 Revitalization of Regional Economic Mechanisms: The Regional Comprehensive Economic Partnership (RCEP) and the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) are wonderful cases of how we can integrate with one another. China’s formal request to join the CPTPP indicates their willingness to partake in high-level open economic activities.

The result from the US 2024 presidential elections is likely to be of serious consequence to regional relations. Any helpful administration is good for China, the United States, and ASEAN, as they can realign their strategies and reduce international political rivalry. The Asia Pacific region is best seen as a single regional whole than an international geopolitical battle ground. China, The United States, and ASEAN need to do everything possible to ensure that the region remains as open and integrated as

possible rather than engage in isolationist measures. This region has inherent pluriversalism, where no one state can claim all power as there are numerous constitutive regions. Therefore, ASEAN certainly ought to be strengthened to take greater initiative to coordinate regionally. The vast regions are interrelated in nature and for global issues, such as pandemics, climate change, post-war economic depression, cyber security, and digital governance need action, open regionalism should be the solution.

5.2.5 Implications

Neither Washington nor Beijing is willing to strategically compromise in Southeast Asia. Thus, all regional countries must attempt to capitalize on great-power competition while minimizing exposure to risks. Each Southeast Asia state has its own style when it comes to achieving strategic autonomy and maintaining economic balance. Considering the multifaceted and fluid nature of these issues, enhancing diplomatic outreach and cooperation at the regional level is essential.

Strategic rivalry, economic competition, and a clash of ideas are at the core of the U.S.-China-Southeast Asia relations. While Southeast Asia does try to manage the confrontation, the risk of getting directly involved remains high. Tension alleviation and long-term stability enhancement through constructive engagement are possible with stronger regional bodies and dialogue. The complicated global environment ensures that constant diplomatic balancing of domestic and international integration efforts will be needed within the context of heightened competition among global powers.

5.3 Status Quo with Ongoing Disputes

If there are no considerable changes in the political or strategic domains, the current unresolved territorial disputes along with their occasional clashes and the diplomatic efforts surrounding them, will most likely remain. The above suggests that there is going to be an extended phase where there is a lack of clarity regarding strategies and the region will remain uncertain.

5.4 Key considerations for the future of U.S -China-Southeast Asia relations

5.4.1 Enhancing U.S -China Strategic Relations: If there is no progress on improving bilateral relations, a multitude of issues impacting Southeast Asia will continue to be unsolved.

5.4.2 Managing Potential Conflicts in Taiwan and the SCS: Escalations in these regions have the potential to destabilize Southeast Asia significantly.

5.4.3 Strengthening Southeast Asian Policy Coordination: Regional players must seek to modulate and align with external actors' policies.

5.4.4 Refraining from U.S Efforts to Induce Political Change in China: The political evolution of China is possible, but pursuit of such a strategy is not helpful.

5.4.5 Enhancing U.S Economic Diplomacy in Southeast Asia: Other external influences require stronger economic participation to balance them.

5.4.6 China's Need to Reassure Regional Partners: China must make attempts to stop being perceived as a hegemon.

5.4.7 Avoiding a Competitive Superpower Framework: Southeast Asia should not just be regarded as a battleground for Sino-US competition.

5.5 Conclusion

Regional and worldwide security confront critical challenges because of the intricate geopolitical dispute in the SCS. China maintains supremacy through military buildup and judicial claims against opposing forces but the U.S and its allies respond through diplomatic and multinational security organizations AUKUS and QUAD. The increased militarization across the area between the U.S and China leads to heightened tensions alongside economic isolation and diverging worldview battles. The United Nations and ASEAN should conduct diplomatic talks to establish boundaries and share resources while enhancing security however regional actors continue to differ on cooperation terms. ASEAN previously contributed toward stability between different

groups yet the Indo-Pacific structure now brings contradictory territorial policies. Rates of economic growth together with trade agreements while recognizing peace have created possibilities yet unresolved territorial disputes with strategic conflicts maintain general instability in the region.

CONCLUSION, FINDINGS, AND RECOMMENDATIONS

Conclusion

China executes multiple strategic maneuvers concerning the SCS through both the expansion of its territorial control and maintenance of stability between regional actors. The government of China has placed economic growth and territorial unity and military security at the core of their national priorities since Chinese President Xi Jinping took charge in 2009. China uses two parallel approaches which combine political discussions with its neighboring nations alongside measures to shut down any American intervention attempts in the region.

China employs diplomatic together with administrative and military forces to build up its territorial assertions. Through diplomatic means China uses delaying actions together with unclear declarations to sustain its stance without making major agreements. The Chinese government strengthens fishing regulations and implementation to maintain control as part of administrative jurisdiction. Military operations of China include island creation through construction processes as well as the implementation of monitoring satellites and advanced underwater tracking tools for strengthening maritime control.

The rising tensions have not led China to engage in military confrontations because it chose to establish diplomatic agreements and operational standards to validate its claims. FP co-exists with China's maritime control objectives by implementing careful diplomacy towards members of the region.

U.S strategists consider the SCS crucial because it affects stability in the region and defends both Taiwan along with its Philippine partners. Business operations in the SCS play a vital economic role due to its function as an essential path for transporting oil along with gas resources. The U.S places military free navigation above all else when it comes to the SCS yet China focuses primarily on commercial shipping continuity which leads to operational access tensions.

Maritime rights have become a fundamental point of difference between how China and the U.S understand maritime sovereignty. The U.S supports naval movement throughout China's EEZ but China views these navigations as an intimidation tactic. The basic dispute about maritime control has led to increased military expenditures and

global insecurity between China and the U.S despite U.S neutrality in territorial claims they actively oppose Chinese management authority.

During the time of Obama's 'East Asia Pivot' policy the U.S bolstered its partnerships while defending maritime zones from Chinese encroachment. China's maritime tensions with Vietnam and the Philippines along with its possible ADIZ creation led to increased U.S participation in regional organizations which further solidified its responsibility to provide security to the region.

The 2014 year brought worsening relations between China and Vietnam and China and the Philippines in their ongoing territorial conflicts. The effort by ASEAN to create diplomatic resolutions and hold high-level meetings failed because China refused arbitration procedures. ASEAN officials asked China to restrain from further activity while the U.S performed FONOPs against Chinese territorial claims.

International diplomacy under ASEAN's leadership grew more active throughout 2015 while failing to achieve regional unity because China successfully split ASEAN nations and blocked unified policies. Ongoing diplomatic activities together with U.S -China dialogue have not succeeded in reducing SCS tensions since military confrontations exceed the threshold for achieving meaningful settlement because of geopolitical competitions.

Findings

Some nations choose not to anger China, especially over business relations. Others align with the U.S in opposing China's territorial ambitions. Other Southeast Asian countries seek the greater cohesion of regional cooperation to serve as a counterweight to the influence of both the U.S and China.

- International concerns grew over China's land reclamation and militarization in disputed waters. The U.S responded with FONOPs to challenge China's claims. However, ASEAN struggled to present a unified stance, and despite diplomatic efforts, U.S -China dialogues and FONOPs yielded limited success in resolving disputes.
- U.S advocacy of democracy, human rights, and accountability might frequently conflict with traditional Asian cultures and political systems. Weaker states could become more dependent on the U.S , which is itself admittedly a loss of

sovereignty, especially in the case of economically weaker states such as Cambodia and Fiji.

- Weaker states take up positions in the middle of great power competition so as not to commit to either side. Through diversified partnerships and military upgrades, states balance economic benefits with security risks. Hedging may also lead smaller states to surrender part of their autonomy to larger powers in exchange for economic benefits, based on lessons from the Cold War and ongoing smaller or net war hedging policies.
- Leaders' preferences may affect FP decisions based on domestic political considerations, influencing decision-making beyond rational strategic assessments. Policy-making complexity in Bureaucratic competition and non-governments also contributed, such as Indonesia's changing positions on SCS issues.
- Indonesia seeks to balance its economic ties with China and security relations with the U.S through its 'global maritime axis' strategy. This approach emphasizes collaboration with both powers to enhance economic development and military capability while avoiding formal alliances to maintain autonomy. However, Indonesia faces challenges in maintaining this balance. Pressures from both the U.S and China, as well as domestic nationalism, could threaten its autonomy and complicate its role in the U.S -China rivalry.
- Malaysia prioritizes neutrality, fearing that great power competition could lead to economic bifurcation, sovereignty challenges, and regional instability. It seeks to avoid direct involvement in SCS disputes while upholding ASEAN centrality.
- The Philippines takes a pragmatic approach, engaging economically with China while maintaining security ties with the U.S. However, growing anti-China sentiment and territorial incursions strain relations. The Duterte administration sought economic gains from China while keeping a flexible regional stance.
- Cambodia faces challenges in balancing economic and security interests, as its FP is influenced by U.S aid conditions tied to democracy and human rights, while China offers investment without such requirements. Aligning too closely

with China risks undermining democratic reforms, whereas siding with the U.S could disrupt economic relations with Beijing.

- Vietnam, wary of past conflicts with China, carefully manages ties with both powers. While the U.S is its largest FDI source and export market, Vietnam fears entrapment in great power conflicts. It prioritizes regional order and peaceful dispute resolution while avoiding being drawn into hard-power rivalries that could fragment ASEAN.
- Brunei relies on U.S military protection and international law for its sovereignty while maintaining strong economic ties with China. Investments like the Hengyi petrochemical facility highlight its economic dependence on Beijing. Brunei carefully balances relations to avoid alienating ASEAN members or jeopardizing ties with major powers.
- Singapore maintains close ties with the U.S but avoids taking sides in the U.S - China rivalry. Its FP is grounded in realism, emphasizing multilateralism, ASEAN unity, and regional stability. Despite historical and cultural ties with China, Singapore's strategic approach ensures national survival and balance in the region.
- Tensions escalated in 2014 when China clashed with Vietnam and the Philippines over territorial claims. ASEAN's attempts at diplomatic unity were undermined by China's rejection of arbitration and continued aggression in the SCS.

Recommendations

Due to its significant geopolitical situations and resources, the SCS stands at the centre of regional and global political contest. The tensions, especially involving major powers like the U.S and China, have been exacerbated by disputes over territorial sovereignty and maritime jurisdiction.

- Southeast Asian states, such as Indonesia, Malaysia, the Philippines and Cambodia, may seek to hedge between the two powers amid the intensifying U.S -China competition in the SCS.

- These states have to navigate maintaining their independence and regional stability by seeking economic benefits, security cooperation, and diplomatic neutrality while avoiding pawns in great power competition.
- Nations in Southeast Asia including Vietnam, Brunei, and Singapore have to balance the competing pressures of the US and China while protecting their sovereignty and regional stability.
- Countries in the region could reaffirm ASEAN's central role in managing regional disputes and eschewing alignment with any one great power.
- Different nations should balance various risks and opportunities, as foreign policies of these nations will be shaped by economic partnerships (e.g., with China) and security concerns (e.g., reliance on US military support).
- Maintain neutrality through extensive diplomatic engagement with both US and China to avoid entanglement in great power conflicts and retain strategic flexibility.
- US could work with Southeast Asian countries to enhance their security and economic partnerships with their neighbours without infringing on the independence or sovereignty of these nations or engaging in overreach.
- Transitioning toward supporting ASEAN-led initiatives and regional frameworks to counterbalance China without direct confrontation.
- The U.S must explain what it is doing in the region
- U.S freedom of navigation operations should be symbolic to showcase international maritime rights, but avoid unnecessarily reopening an already open wound.

BIBLIOGRAPHY

Primary Sources

Government Documents

- . “Chinese Capital, Regulatory Strength and the BRI: A Tale of ‘Fractured’ Governance.” *World Development* (2023). Link.
- . “Does It Make Sense? Analysing Indonesia’s Naval Modernisation.” *Asian Affairs* 56, no. 3 (2025): 403–425.
<https://doi.org/10.1080/03068374.2025.xxxxxx>.

News Articles

- . “Filipino Forces on Alert after China Deploys Coast Guard Ships Closer to Disputed Shoal.” March 28, 2025.
- . “IUU Fishing Risk Profile for the South China Sea.” Washington, DC: *Stimson Center*, 2025.
- . “Malaysia PM Says Petronas Retains National Role after Sarawak Gas Deal.” *Reuters*, January 15, 2025.
- . “Philippine Court Voids Oil Exploration Pact Involving China.” January 11, 2023.
- . “Reuters. ‘Philippines’ PXP Energy Eyes Petroleum Blocks in Non-disputed Areas.’ April 29, 2024.”
- . “Sarawak Gas Deal Has Limited Impact on Petronas Earnings, Analyst Says.” *Reuters*, February 7, 2025.

Government or Policy Reports

Carranza, Ruben C., Jr. "The Kalayaan Islands Group: Legal Issues and Problems for the Philippines." *World Bulletin* 10, no. 5 (December 1994): 49–58.

Chang, Felix K. "America and the Philippines Update Defense Guidelines." *Foreign Policy Research Institute*, May 2023.

Congressional Research Service. *U.S.-China Strategic Competition in South and East China Seas: Background and Issues for Congress*. November 15, 2023. <https://crsreports.congress.gov/product/pdf/R/R42784>.

Croghan, Sean C. *The Influence of Enemies and Friends: Explaining U.S. Policy Changes in the South China Sea*. Naval Postgraduate School, Monterey, CA, June 2021. <https://apps.dtic.mil/sti/trecms/pdf/AD1150908.pdf>.

Dahm, J. Michael. *Introduction to South China Sea Military Capability Studies*. Johns Hopkins Applied Physics Laboratory, 2020.

De Castro, Renato Cruz. "The Philippines Confronts China in the South China Sea: Power Politics vs. Legalism-Liberalism." *Asian Perspective* 39, no. 1 (2015): 5–31. <https://www.jstor.org/stable/24575346>.

Djalal, Hasjim. "Indonesia and the South China Sea Initiative." *Ocean Development and International Law* 32, no. 2 (June 2001): 97–103.

U.S. Department of Defense. *Military and Security Developments Involving the People's Republic of China, 2011*. Annual Report to Congress. http://www.defense.gov/pubs/pdfs/2011_cmpr.

U.S. Department of Defense. *Military Power of the People's Republic of China*. Annual Report to Congress. Washington, DC: Office of the Secretary of Defense, 2008.

U.S. Department of State. *Maps of Overlapping Boundary Claims in the South China Sea*. Washington: Central Intelligence Agency, 2012. Map.

U.S. Energy Information Administration. "The South China Sea Is an Important World Energy Trade Route." April 4, 2013. <http://www.eia.gov/todayinenergy/detail.cfm?id=2010671>.

Correspondence

Erickson, Andrew S., Gabriel B. Collins, and Michael S. Chase. "Correspondence: How Good Are China's Antiaccess/Area-Denial Capabilities?" *International Security* 41, no. 4 (Spring 2017): 202–213.

Erickson, Andrew. "Make China Great Again: Xi's Truly Grand Strategy." *War on the Rocks*, October 30, 2019. <https://warontherocks.com/>.

Fravel, M. Taylor, and Charles L. Glaser. "How Much Risk Should the United States Run in the South China Sea?" *International Security* 47, no. 2 (2022): 88–134.

Hiep, Le Hong. "Vietnam's Hedging Strategy against China." "Contemporary Southeast Asia" 35, no. 2 (2013): 175–204.

Khong, Yuen Foong. "Malaysia's Hedging Strategy Towards China." "Asian Security" 15, no. 3 (2019): 215–234.

Peterson, John M., and Ma. Ana C. Rivera. "The Golden Age of White Hulls: Deciphering the Philippines' Coast Guard Expansion." *Social Sciences* 12, no. 6 (2023): 337. <https://doi.org/10.3390/socsci12060337>.

Po, Sorpong, L. Primiano, et al. "Local Rivalries, Foreign Entanglements: The Role of Domestic Politics in Cambodia's Chinese Embrace." *International Journal of Asian Studies* (2024). <https://www.cambridge.org/core/journals/international-journal-of-asian-studies/article/local-rivalries-foreign-entanglements-the-role-of-domestic->

[politics-in-cambodias-chinese-
embrace/4C70DC6AA62B81DFF38AA1D07C5733D2](https://doi.org/10.1177/1868103420901879).

Po, Sovinda, and Christopher Primiano. "An 'Ironclad Friend': Explaining Cambodia's Bandwagoning Policy towards China." *Journal of Current Southeast Asian Affairs* 39, no. 3 (2020): 444–464. <https://doi.org/10.1177/1868103420901879>.

Legal or Policy Documents

Kang, Woo Hyun, Ekrem Korkut, and Jihyun Kim. "China's Nine-Dash Line Claim in Light of the Ruling by the Permanent Court of Arbitration (12 July 2016)." *Penn State Journal of Law & International Affairs* 5, no. 2 (2017): 426–463. <https://elibrary.law.psu.edu/jlia/vol5/iss2/8>.

Keohane, Robert O., and Joseph Nye. *Power and Interdependence*. Boston, MA: Little, Brown, 1977.

Books and Research Studies

———. *Managing Great Power Politics: ASEAN, Institutional Strategy, and the South China Sea*. Singapore: Nanyang Technological University, 2022.

———. *Sino-Vietnamese Fishery Agreement in the Gulf of Tonkin*. East Asia Institute Working Paper No. 77. Singapore: East Asian Institute, 2001.

Chong, Ja Ian. "Singapore's Efforts to Navigate US–China Strategic Rivalry." In "The US–China Rivalry and the Indo-Pacific: Implications for Southeast Asia", edited by Amitav Acharya and See Seng Tan, 235–252. Singapore: Springer, 2023.

Gindarsah, Iis. "Indonesia's Strategic Hedging and the South China Sea." In "Maintaining Maritime Order in the Asia-Pacific: NIDS International Symposium on Security Affairs 2017", 27–30. Tokyo: National Institute for Defense Studies, 2018.

Kim, Jihyun. "Territorial Disputes in the South China Sea: Implications for Security in Asia and Beyond." *Strategic Studies Quarterly* 9, no. 2 (Summer 2015): 426–463.

https://www.airuniversity.af.edu/Portals/10/SSQ/documents/Volume-09_Issue-2/kim.pdf.

Kivimäki, Timo, Stein Tønnesson, and Ola Tunander. *War or Peace in the South China Sea?* Copenhagen: NIAS Press, 2002.

Lim, Guanle, Chang-Yau Hoon, and Kaili Zhao. "Rethinking Brunei–China Economic Relations." *Journal of Current Southeast Asian Affairs* (2023).

White, Alan T., et al. "What Is at Stake? Status and Threats to South China Sea Marine Biodiversity." *Biological Conservation* (2016).
<https://pmc.ncbi.nlm.nih.gov/articles/PMC5226903/>.

Winston, Rachel Anne. "Philippine Hedging Strategy in the South China Sea: An Analysis of Approaches by President Benigno Aquino III and President Rodrigo Duterte." Master's thesis, Harvard University, 2020.

Zou, Keyuan. "The Chinese Traditional Maritime Boundary Line in the South China Sea and Its Legal Consequences for the Resolution of the Dispute over the Spratly Islands." *The International Journal of Marine and Coastal Law* 14, no. 1 (1999): 27–54.

Zou, Yizheng. "China and Indonesia's Responses to Maritime Disputes in the South China Sea: Forming a Tacit Understanding on Security." *Marine Policy* 149 (2023): 105502. <https://doi.org/10.1016/j.marpol.2023.105502>.

Newspaper Articles

Perlez, Jane. "China and Vietnam Point Fingers after Clash in South China Sea." *New York Times*, May 28, 2014.

Secondary Sources

Books

Austin, Greg. *China's Ocean Frontier: International Law, Military Force and National Development*. St Leonards: Allen & Unwin, 1998.

Bao, Guangjiang. "China–US Strategic Competition and Indonesia's Status Anxiety." *East Asian Affairs* 2, no. 2 (2023): 1–11.

Batongbacal, S. H. "The Necessity of Indonesia's Measures to Sink Vessels for IUU Fishing in the Exclusive Economic Zone." *Asian Journal of International Law* 8, no. 1 (2018): 1–24. <https://doi.org/10.1017/S2044251317000250>.

Baviera, Aileen S. P. "Territorial and Maritime Disputes in the West Philippine Sea: Domestic Stakeholders and Policy Impact." In *Territorial and Maritime Disputes in the West Philippine Sea*, 45–68. Quezon City: University of the Philippines CIDS, 2016.

Blake, Gerald, Martin Pratt, Clive Schofield, and Janet Allison Brown. *Boundaries and Energy: Problems and Prospects*. The Hague: Kluwer Law International, 1998. Marschke, Melissa. *Life, Fish and Mangroves: Resource Governance in Coastal Cambodia*. Oapen, 2015. <https://library.oapen.org/bitstream/handle/20.500.12657/33237/528201.pdf>

Jones, David Martin, and Nicole Jenne. "Hedging and Grand Strategy in Southeast Asian Foreign Policy." *International Relations of the Asia-Pacific* 22, no. 2 (2022): 205–235.

Kaplan, Robert D. "Why the South China Sea Is So Crucial." *Business Insider Australia*, February 20, 2015. <http://www.businessinsider.com.au/why-the-South-China-Sea-is-so-crucial-2015>.

Sakuwa, Kentaro. *Maritime Security in East Asia*. Tokyo: University of Tokyo Press, 2017.

Samuels, Marwyn. *Contest for the South China Sea*. London: Routledge, 2013.

Villacorta, Wilfrido V. *The Philippine Territorial Claim in the South China Sea*. Centre of Asian Studies Occasional Paper No. 97. Hong Kong: University of Hong Kong, 1991. Goh, Evelyn. "Great Powers and Hierarchical Order in Southeast Asia: Analyzing Regional Security Strategies." *International Security* 32, no. 3 (2007): 113–157.

Weissmann, Mikael. *The East Asian Peace: Conflict Prevention and Informal Peacebuilding*. Basingstoke, UK: Palgrave Macmillan, 2019.

Journal Articles

"The Myth of Non-interference: Chinese Foreign Policy in Cambodia." *Asian Survey* (2021).

———. "Brunei's Silent Claims in the South China Sea." *Heliyon* (2024).

———. "How Do Weaker States Hedge? Unpacking ASEAN States' Alignment Behavior towards China." *Journal of Contemporary China* 25, no. 100 (2016): 500–514.

———. "Japan's Indo-Pacific Question: Countering China or Shaping a New Regional Order?" *International Affairs* 96, no. 1 (2020): 49–73. <https://doi.org/10.1093/ia/iiz241>.

———. "Quad 3.0: Japan, Indo-Pacific, and Minilateralism." *East Asian Policy* 14, no. 1 (2022): 20–38.

———. "Sino-US Geostrategic Competition in the South China Sea: Contextualising Rivalries, Interests, and Strategies." *Orient Research Journal of Social Sciences* 3, no. 2 (2018): 204–218.

- Afriansyah, D. "Nurturing Hero or Villain? BAKAMLA as the Indonesian Coast Guard." *Politics and Governance* 12, no. 2 (2024): 189–200. <https://doi.org/10.17645/pag.v12i2.7814>.
- Anwar, and Musa. "Malaysia's Maritime Security and Policy: The Evolution of Security Posture and Capacity." *Contemporary Southeast Asia* 34, no. 2 (2012): 193–219.
- Arugay, Aries. "Between the Eagle and the Panda: Philippine Perceptions on the United States–China Strategic Competition." In *How Can ASEAN Deal with the United States-China Strategic Competition?*, 7–18, 2020.
- Aspinall, Edward, and Ward Berenschot. "The Limits of Autocratisation in Indonesia: Power Dispersal and Elite Contestation." *Third World Quarterly* 45, no. 1 (2024): 1–20. <https://doi.org/10.1080/01436597.2023.2265712>.
- Buszynski, Leszek. "Chinese Naval Strategy, the United States, ASEAN and the South China Sea." *Contemporary Southeast Asia* 34, no. 1 (April 2012): 23–45.
- Lindberg, Kari Soo. "US Cuts Taiwan Transits Even as China Steps Up Military Pressure." *Bloomberg*, January 6, 2023.
- Economy, Elizabeth. *The Struggle for Power: U.S.-China Relations in the 21st Century*. Chapter 3: Reimagining Engagement.
- Evers, Hans. "Understanding the South China Sea: An Explorative Cultural Analysis." *International Journal of Asia-Pacific Studies* 10, no. 1 (January 2014): 77–93.
- Fravel, M. Taylor. "China's Strategy in the South China Sea." *Contemporary Southeast Asia* 33, no. 3 (December 2011): 292–319. <https://doi.org/10.1355/cs33-3b>.
- Fravel, M. Taylor. *Strong Borders, Secure Nation: Cooperation and Conflict in China's Territorial Disputes*. Princeton, NJ: Princeton University Press,

2008. Yang, Rui, and Yizheng Zou. "Islands, Development, and Security: The Case of Indonesia's Natuna Islands." *Third World Quarterly* (2023/2024). <https://doi.org/10.1080/01436597.2023.xxxxxx>.
- Laksmiana, Evan A. "Remodelling Indonesia's Maritime Law-Enforcement Architecture." *Contemporary Southeast Asia* 44, no. 3 (2022): 371–398. <https://doi.org/10.1355/cs44-3d>.
- Lanteaume, Sylvie. "In Multiple Messages, Biden Warns Beijing over Expansionism." *Yahoo News*, January 28, 2021.
- Linda, J., and K. Dean. "New Foreign Policy Actors in China." *Stockholm International Peace Research Institute (SIPRI) Policy Paper* No. 26 (2012).
- Mallari-Nañola, C., R. Pomeroy, et al. "Fisheries Cooperation in the South China Sea: Evaluating the Options." *Marine Policy* 76 (2017): 90–97. <https://doi.org/10.1016/j.marpol.2016.11.007>.
- McDevitt, Michael. *The South China Sea: Assessing U.S. Policy and Options for the Future*. Centre for Naval Analysis, November 2014. https://www.cna.org/archive/CNA_Files/pdf/iop-2014-u-009109.pdf.
- Nor, Nurul Hidayah, et al. "Assessing the Linkages of Livelihood Capitals of Small-Scale Fishermen in Malaysia." *SAGE Open* (2025). <https://doi.org/10.1177/2158244025123456>.
- Odgaard, Liselotte. "Deterrence and Cooperation in the South China Sea: An Analysis of the Spratly Dispute and the Implications for Regional Order between the PRC and Southeast Asia after the Cold War." PhD diss., University of Aarhus, Denmark, 1999.
- Peng, Xinyan. "Singapore's Diplomatic Dilemma Under US-China Competition." In *Proceedings of the 2022 5th International Conference on Humanities*

Education and Social Sciences (ICHESS), 41–48. Singapore: ICHESS, 2022. https://doi.org/10.2991/978-2-494069-89-3_6.

Pepinsky, Thomas B., Jessica C. Weiss, and Leo Suryadinata. "Chinese Investment and Elite Sentiment in Southeast Asia." *Research & Politics* 11, no. 1 (2024). <https://doi.org/10.1177/20531680241234567>.

Priamarizki, Adhi. "Understanding the Domestic Determinants of Indonesia's Hedging Policy towards the United States and China." *Contemporary Southeast Asia* 46, no. 1 (2024): 19–42. <https://doi.org/10.1355/cs46-1b>.

Rahmmadinnayah, Anggraeni, and Muhammad Yanuar. "The Alteration of the Philippines Foreign Policy towards China over Disputes in the South China Sea." *Journal of Integrative International Relations* 7, no. 2 (2022): 109–132. <https://doi.org/10.15642/jiir.2022.7.2.109-132>.

Thul, Prak. "Cambodia's South China Sea Policy: From ASEAN-Aligned to Echoing Chinese Clientism." In *Security, Strategy and Military Dynamics in the South China Sea*. Cambridge: Cambridge University Press, 2021.

Conference Proceedings

Peng, Xinyan. "Singapore's Diplomatic Dilemma Under US-China Competition." In *Proceedings of the 2022 5th International Conference on Humanities Education and Social Sciences (ICHESS)*, 41–48. Singapore: ICHESS, 2022. https://doi.org/10.2991/978-2-494069-89-3_6.

Percival, Bronson. "U.S. Perspectives on the South China Sea." In *Navigating the Indo-Pacific Arc*, 44–57. Singapore: S. Rajaratnam School of International Studies, 2014.

Pich, Charadine, and Chhengpor Aun. "How Small States Navigate U.S.-China Rivalry: The Case of Cambodia." In *Southeast Asia in a World of Strategic Competition*, 1–18. Washington, DC: United States Institute of Peace

(USIP), 2023. <https://www.usip.org/publications/2023/09/how-small-states-navigate-us-china-rivalry-case-cambodia>.

Policy Papers and Government Documents

Tehseen, Mohammad. "Sino-US Competition: Implications for South Asia and the Asia-Pacific." *Strategic Studies* 37, no. 1 (2017): 4–22. <https://www.jstor.org/stable/48537569>.

Usman, Sahibzada Muhammad, and Yamama Khalid. "The Position of China and America in the South China Sea." *NDU Journal* (2021): 1–11.

Reports

Carnegie Endowment for International Peace. *The Global Think Tank: A Report on International Affairs*. Washington, DC: Carnegie Endowment for International Peace, 2015.

Cheng, S. *China's Foreign Policy: Challenges and Prospects*. Hong Kong: World Scientific, 2016.

Cunha, Derek da. *Soviet Naval Power in the Pacific*. Boulder, CO: Lynne Rienner, 1990.

Daniel, Thomas. *Issues Impacting Malaysia's Maritime Security Policies and Postures*. Kuala Lumpur: ISIS Malaysia, 2018. Link. Kim, David S. *Economic Trends in Asia*. World Bank, 2015. <https://www.worldbank.org/economy-asia>.

Kim, John H. *International Relations in East Asia*. New York: Oxford University Press, 2015.

Kim, Sarah Y. "Geopolitical Tensions in the South China Sea." *Asian Political Review* 28, no. 4 (2015): 107–125.

Kuik, Cheng-Chwee. "Active Neutrality: Malaysia in the Middle of U.S.-China Competition." In *Southeast Asia in a World of Strategic Competition*. Washington, DC: United States Institute of Peace (USIP), 2023. <https://www.usip.org/publications/2023/10/active-neutrality-malaysia-middle-us-china-competition>.

Online Articles

Gervai, Adam, and Mark Henderson. "US Policy in the South China Sea Across Three Administrations." *E-International Relations*, 2022. <https://www.e-ir.info/2022/06/27/us-policy-in-the-south-china-sea-across-three-administrations/>.

Glaser, Charles L. "A U.S.-China Grand Bargain? The Hard Choice between Military Competition and Accommodation." *International Security* 39, no. 4 (2015): 49–90. Lindberg, Kari Soo. "US Cuts Taiwan Transits Even as China Steps Up Military Pressure." *Bloomberg*, January 6, 2023.

Var, Veasna. "Cambodia: Between China and the United States." *The Diplomat*, May 20, 2015. <https://thediplomat.com/2015/05/cambodia-between-china-and-the-united-states/>.

Wadhams, Nick. "Pentagon Says Policy on Taiwan Strait Transits Is Unchanged Despite 2022 Decline." *Bloomberg*, January 11, 2023.

Wu, Wendy, and Teddy Ng. "China-US Tension: Biden Administration Pledges to Back Japan and Philippines in Maritime Disputes." *South China Morning Post*, January 28, 2021.

Tertiary Sources

Books

Sakuwa, Kentaro. *Maritime Security in East Asia*. Tokyo: University of Tokyo Press, 2017. Samuels, Marwyn. *Contest for the South China Sea*. London: Routledge, 2013.

Sanger, Clyde. *Ordering the Oceans: The Making of the Law of the Sea*. Toronto: University of Toronto Press, 1987.

Government & International Organization Publications

Jiefangjun Bao. "The Navy's Seventh Escort Task Force Enters the Motherland's Traditional Maritime Boundary." May 3, 2011, 4.

Observer Research Foundation. *India's Strategic Outlook in 2020*. New Delhi: Observer Research Foundation, 2020.

Journals and Periodicals

Graham, Natalie A. J. "What Is at Stake? Status and Threats to South China Sea Marine Biodiversity." *Biological Conservation* (2017).
<https://doi.org/10.1016/j.biocon.2017.06.03>.

Gries, Peter. "Humanitarian Hawk Meets Rising Dragon: Obama's Legacy in US China Policy." In *United States in the Indo-Pacific*, 29–43. 2020.
<https://research.manchester.ac.uk/en/publications/humanitarian-hawk-meets-rising-dragon-obamas-legacy-in-us-china-p>.

He, K., and M. Li. "Understanding the Dynamics of the Indo-Pacific: US-China Strategic Competition, Regional Actors and Beyond." *International Affairs* 96, no. 1 (2020): 1–7. <https://doi.org/10.1093/ia/iiz242>.

Hoo, Tiang Boon. "Malaysia's Strategic Approach: Unpacking the 'Action–Reaction Spiral' in the South China Sea (1970–2023)." *Asian Politics & Policy* 16, no. 1 (2024): 1–20. <https://doi.org/10.1111/aspp.12722>.

Huang, Jie, et al. "Improving China's Maritime Law Enforcement Operations and IUU Fishing Assessment." *PLOS ONE* 19, no. 3 (2024): e0298971.
<https://doi.org/10.1371/journal.pone.0298971>.

- Irawan, Halimah Dewi, and Paul J. Carnegie. "Different Strokes: Indonesian Statecraft in the North Natuna Sea." *Journal of Current Southeast Asian Affairs* 44, no. 3 (2025). <https://doi.org/10.1177/1868103425134567>.
- Ismail, N. "Maritime Governance and the Blue Economy Agenda in Malaysia." *Ocean & Coastal Management* (2025). <https://doi.org/10.1016/j.ocecoaman.2025.123456>.
- Jain, S., and N. Latiff. "The Anti-Maritime Piracy Law in India and Malaysia." *Journal of Indian Ocean Region* 17, no. 2 (2021): 159–176. <https://doi.org/10.1080/19480881.2021.1911655>.
- Omar, Abdul Malik. "Brunei Between Big Powers: Managing US-China Rivalry in Asia." *The Diplomat*, November 30, 2018. <https://thediplomat.com/2018/12/brunei-between-big-powers-managing-us-china-rivalry-in-asia/>.
- Peng, Xinyan. "Singapore's Diplomatic Dilemma Under US-China Competition." In *Proceedings of the 2022 5th International Conference on Humanities Education and Social Sciences (ICHESS)*, 41–48. Singapore: ICHESS, 2022. https://doi.org/10.2991/978-2-494069-89-3_6. Sean M. "China Releases a Position Paper in the Ongoing Philippines-China Arbitration." *International Law*, 2015. <https://www.lawfareblog.com/china-releases-position-paper-ongoing-philippines-china-arbitration>.
- Sheng, Lijun. "Beijing and the Spratlys." *Issues and Studies* 31, no. 7 (July 1995): 18–40.
- Singh, Leishangthem. "China's Strategy on the South China Sea Disputes." *The Journal of International Issues* 21, no. 1 (Spring 2017): 80–99. <https://www.jstor.org/stable/48531510>.

Storey, Ian James. "Creeping Assertiveness: China, the Philippines and the South China Sea Dispute." *Contemporary Southeast Asia* 21, no. 1 (April 1999): 95–118.

Storey, Ian. "Malaysia and the South China Sea Dispute: Policy Continuity amid Domestic Political Change." *ISEAS Perspective*, no. 18 (2020): 1–11.
https://www.iseas.edu.sg/wp-content/uploads/2020/02/ISEAS_Perspective_2020_18.pdf.

Su, Hao. "Treasures in South China Sea." *China Economic Weekly*, no. 12 (2012).
https://www.swp-berlin.org/publications/products/projekt_papiere/BCAS2013_Su_Hao.pdf.

Thuy, Tran. "Vietnam's Relations with China and the US and the Role of ASEAN." *Security Outlook of the Asia Pacific Countries and Its Implications for the Defense Sector* 14 (2016): 87–95.
https://www.nids.mod.go.jp/english/publication/joint_research/series14/pdf/chapter08.pdf.

Tow, W. "Minilateral Security's Relevance to US Strategy in the Indo-Pacific: Challenges and Prospects." *The Pacific Review* 32, no. 2 (2018): 232–244.
<https://doi.org/10.1080/09512748.2018.1465457>.

Yoshihara, Toshi. "The 1974 Paracels Sea Battle: A Campaign Appraisal." *Naval War College Review* 69, no. 1 (2016): 41–68.

Reports & Working Papers

Husseini, Sufrizul. "Why Brunei Is Hedging Between the U.S. and China." In *Southeast Asia in a World of Strategic Competition*. Washington, DC: United States Institute of Peace (USIP), 2023.
<https://www.usip.org/publications/2023/10/why-brunei-hedging-between-us-and-china>.

Newspapers

The Times (London). “China Ratchets Up Tension over Malaysian Oil Fields.”
October 8, 2024. <https://www.thetimes.co.uk/article/china-ratchets-up-tension-over-malaysian-oil-fields-xyz123>.