

The ASEAN Regional Forum in the Face of Great-Power Competition in the South China Sea: The Limits of ASEAN's Approach in Addressing 21st-Century Maritime Security Issues?

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INTRODUCTION

The South China Sea is a semi-enclosed sea surrounded by China and several small Southeast Asian states, such as the Philippines, Vietnam, Malaysia, and Brunei. Since the mid-1970s, these littoral states have been engaged in a chronic competition as each one seeks to extend its sovereignty and jurisdictional claims over more than a hundred islets, reefs, and rocks and their surrounding waters. In the early 1990s, these small powers, through the Association of Southeast Asian Nations (ASEAN), tried to peacefully manage the dispute by relying on the association's methods of conflict avoidance and management to de-escalate the tension without resolving the dispute. This process involves fostering a habit of constructive dialogue and consultation on security issues of common interests and concerns among the claimant states, including China, in order to make significant progress towards confidence-building and security cooperation in the Asia-Pacific.¹

The dispute became dormant in the late 1990s and the early 21st century after China and ASEAN signed the 2002 Declaration on the Conduct of Parties in the South China Sea (DOC). A non-binding political statement, the DOC sets out trust- and confidence-building measures and five voluntary cooperative activities among the claimant states. The parties reaffirmed that “the adoption of a code of conduct in the South China Sea would further promote peace and stability in the region and agree[d] to work, on the basis of consensus, towards the eventual realisation of this

* This article was submitted on 23 June 2017.

¹ Michael Yahuda, *The International Politics of the Asia-Pacific* (London; New York: Routledge, 2011), p. 199.

objective.”² They also agreed to exercise restraint and refrain from activities that would complicate the dispute.³

Tension generated by this maritime row, however, escalated again in 2009 when China discarded its tactic of delaying the resolution of the dispute and, instead, asserted its sovereignty over the contested waters. China consolidated its jurisdictional claims in the South China Sea by expanding its military reach and pursuing coercive diplomacy against the other claimant states.⁴ Chinese leaders have felt confident that with its political and economic clout and its strong People’s Liberation Army (PLA), China can boldly advance its “core interests” in the maritime domain. This is reflected by China’s insistence on the “Air Defense Identification Zone (ADIZ)” in the East China Sea, the conduct of live-fire exercises by the People’s Liberation Army Navy (PLAN) and the People’s Liberation Air Force (PLAAF) in the West Pacific, and the hardline response by PLAN and other maritime law enforcement agencies during several confrontations with Philippine and Vietnamese civilian ships in the South China Sea.⁵

This shift in Chinese diplomatic tactic is intended to deter other smaller claimant states like the Philippines and Vietnam from cementing their claims and to enable China to negotiate with these small powers from a position of strength. In 2011, the Obama administration announced the US’s strategic rebalancing to the Asia-Pacific region. The move was made to ensure that the US’s diplomatic initiative of a comprehensive “rule-based” system to resolve the East Asian states’ clashing claims in the South China Sea was backed by American military power.⁶ Interestingly, Japan has also become interested in the dispute. As China’s geo-strategic rival and the US’s key ally in East Asia, Japan is bent on playing a balancing role in the dispute by helping other claimant states build up their respective naval capabilities.

These ASEAN states now find themselves caught in the centre of a potentially dangerous great powers’ stand-off. On the one hand, these small powers find themselves in a classic security dilemma in which the actions by China – the most powerful claimant state in the dispute – are viewed as extremely threatening by

² Carlyle A. Thayer, “ASEAN, China and the Code of Conduct in the South China Sea,” *SAIS Review*, XXXIII, No. 2 (Summer-Fall 2013), p. 77.

³ Sheldon W. Simon, “ASEAN and the New Regional Multilateralism: The Long and Bumpy Road to Community,” in *International Relations of Asia*, eds. David Shambaugh and Michael Yahuda (Lanham, Maryland: Rowman and Littlefield Publishing Group, Inc., 2008), p. 205.

⁴ Clive Schofield and Ian Storey, *The South China Sea Dispute: Increasing Stakes and Rising Tension* (Washington Dc: The Jamestown Foundation, November 2009), p. 1.

⁵ National Institute for Defense Studies, *NIDS China Security Report 2014* (Tokyo, Japan: National Institute for Defense Studies, 2015), p. 3.

⁶ See Mark E. Manyin et al., “Pivot to the Pacific? The Obama Administration’s ‘Rebalancing’ toward Asia,” *Congressional Research Service* (Washington, D.C.: Congressional Research Service, 28 March 2012).

the other claimants.⁷ On the other hand, this maritime dispute has caught the attention of the US, which is trying to maintain its naval primacy in East Asia despite China's emergence as an economic and military power. This stand-off can escalate into a major systemic conflict in the 21st century. Then Indonesian Foreign Minister Marty Natalegawa described "this situation as a 'dynamic equilibrium' among the major powers in the Asia-Pacific with its rival coalition and arms races that keeps ASEAN in the middle similar to the conductor of an orchestra. This situation is surely worthy, but the orchestra will decline into chaos should it fail to keep US-China tension in check."⁸

This article examines the limits of ASEAN's approach in managing security issues in general, and, in particular, in the South China Sea dispute in light of the involvement of the great powers. It addresses this main question: What is the limit of the ASEAN approach in managing territorial rows like the South China Sea dispute? It also explores the following questions: What is the nature of ASEAN's methods of managing security issues in general, and maritime security issues in particular? What are the strengths and limitations of these methods? How has China successfully exploited the limitations of the ASEAN approach in handling maritime security issues? How has the involvement of the great powers in the South China Sea dispute diminished ASEAN's role in addressing maritime disputes in East Asia? What will be the long-term implication of ASEAN's diminishing role in the management of the South China Sea dispute?

THE LIMITS OF THE ASEAN APPROACH TO SECURITY: A FOCUS ON THE ARF

The ASEAN approach to security is reflected in the formation of the ASEAN Regional Forum (ARF) in 1995 and its subsequent foray into regional security affairs. The ARF was formed during a three-hour, low-key gathering in July 1994 immediately after the Association of Southeast Asian Nations (ASEAN) Foreign Ministers' Meeting. It was ASEAN's first and tentative venture into the field of regional security. The ARF is not an institution for collective defence, nor is it a concert for the management of regional security.⁹ It is based on the ASEAN-derived approach of cooperative security, which involves the building of trust on a multi-

⁷ Fravel M. Taylor, "China's Strategy in the South China Sea," *Contemporary Southeast Asia* 33, 3 (December 2011), p. 296.

⁸ Amitav Acharya, "Crunch Time for Asia-Pacific Multilateralism," *Regional Outlook* (2012-2013), pp. 24-25.

⁹ Michael Yahuda, *The International Politics of the Asia-Pacific* (New York; Oxon: Routledge, 2013), p. 199.

lateral basis with the goal of mitigating existing disputes, and eventually finding means of resolving them.¹⁰

The ARF was created to tame or domesticate the foreign policy behaviour of the People's Republic of China (PRC). The forum was originally envisioned as a way to entice China – then a potential rising hegemon and an extra-regional state with territorial claims in the waters surrounding Southeast Asia – into accepting ASEAN's set of regional norms. This strategy hoped to temper China's hostile stance against the other claimant states, enhance defence transparency, and promote peaceful and cooperative solutions for existing disputes. China joined the ARF to avoid being left out of the regional grouping and has since supported ASEAN's central role and its incremental approach to problem-solving. Since the later 1990s, it has extended its support for the ASEAN states' central role in the ARF in pushing forward regional security dialogues and confidence-building measures. Furthermore, Beijing has ushered the regional forum in further exploring and developing dialogues and cooperation in addressing non-traditional security challenges, such as terrorism, and in expanding the forum to include the participation of defence officials.¹¹

The small powers in Southeast Asia, however, are realistic enough to know that an effective engagement policy with regard to China requires the involvement of other regional powers.¹² These small powers were more than willing to engage Beijing in several cooperative undertakings. However, at the same time, they also recognised the importance of keeping Washington and Tokyo involved in regional affairs. The presence of these two other powers is an insurance that they can constrain and balance China in the event that these small powers' engagement policy fails to transform this emerging power into a status quo power.

As a group of small powers with limited military and economic capabilities, the ASEAN states had no choice but to “exploit the tendencies of the big powers to both cooperate and compete among themselves, as well as their physical presence in the region, to make it possible and desirable for them to monitor each other's activities

¹⁰ Ibid., p. 215.

¹¹ Liu Xucheng, “Strengthening ASEAN-China Cooperation in the ASEAN Regional Forum,” in *ASEAN-China Relations: Realities and Prospects*, eds. Saw Swee-Hock, Sheng Lijun and Chin Kin Wah (Singapore: Institute of Southeast Asian Studies, 2005), p. 43.

¹² Small or minor powers are generally small or even medium-sized states whose territory, population, and resource base make it difficult for them to defend themselves against external military attacks or other forms of big-power intervention. To ensure their security, this type of states is generally compelled to adjust its bilateral relations with the big powers and to deal with changes in the regional balance of power. There is no general pattern of behaviour on how small powers relate with the big or major powers. Rather, each of these states maintains a specific pattern of relations with the major or big powers, each has been affected differently by changes in the latter's policies, and each has responded in various ways. See Laura Neack, *The New Foreign Policy: US and Comparative Foreign Policy in the 21st Century* (Maryland: Rowman and Littlefield Publishers, 2003), pp. 108-159.

while keeping an eye on developments in Southeast Asia.”¹³ And in doing this, they also saw the need to form a multilateral security forum that can hopefully mitigate the post-Cold War era’s strategic uncertainties that were revolving around two major dynamics: a) the changing weights and positions of the major powers in the region; and b) the changing pattern of their relationships in light of the withdrawal and eventual disappearance of the Soviet Union from East Asia.

In the mid-1990s, the ASEAN countries were concerned about the implications of China’s growing economy and military power. They feared that China’s military assertiveness could set the stage for an intense Sino-Japanese rivalry.¹⁴ Furthermore, they believed that a strong American response to Chinese belligerence could stoke nationalist and hardline sentiments in China and destabilise the region.¹⁵ The realists, for their part, also acknowledged the ARF as a balance-of-power mechanism to which most member states would defer to in managing the trilateral China-US-Japan relations.¹⁶

Both the liberals and the realists merely discerned the ARF as an instrument, and ignored its primary but indirect objectives. Whether in fostering norms, inculcating values, or maintaining the balance of power, the ARF’s end goal is to create a regional order based on 1) transparency in strategic intent and threat perceptions; 2) mutual trust and confidence with regard to the member states’ military capabilities and deployment; and 3) habit of cooperation which will facilitate the peaceful resolution of existing and future conflicts.¹⁷ The late Michael Leifer observed that the ARF aimed “to contribute to the promotion of a predictable and constructive pattern of relationship in the Asia-Pacific.”¹⁸ As such, the ARF is similar to other forms of behaviour and mechanism that regulate relations among states. Such patterns of managing interstate relations include the Concert of Europe, alliance systems, crisis management, bipolar alliance structures, spheres of influence, and systems with features resembling the more traditional balance of power.¹⁹ However, what differentiates the ARF from these examples is its objective to foster an international

¹³ Chien-Peng Chung, “Southeast Asia’s ‘Hedging’ Relationship with Major Powers of the Asia-Pacific,” in *Seeking Alternative Perspectives of Southeast Asia*, eds. Andrew T. H. Tan, Michael L. R. Smith and Dato Khoo Kay Kim (Ipoh, Malaysia: Perak Academy, 2004), p. 292.

¹⁴ *Ibid.*, p. 203.

¹⁵ *Ibid.*, p. 203.

¹⁶ Sheldon Simon, “ASEAN and Multilateralism: The Long, Bumpy Road to Community,” *Contemporary Southeast Asia* (August 2008) vol. 30, No. 2, p. 278.

¹⁷ *Ibid.*, p. 190.

¹⁸ Michael Leifer, *The ASEAN Regional Forum: Extending ASEAN’s Model of Regional Security* (London: New York Oxford University Press, 1996), p. 45.

¹⁹ Ian Clark, *The Hierarchy of States: Reform and Resistance in the International Order* (Cambridge: Cambridge University Press, 1989), p. 13.

(or regional) order that deviates from the use of force in settling interstate disputes. Like in collective security, arms control, and the development of international law, the ARF wants a certain degree of institutional or cultural constraint on the use of force in effecting change in the system.²⁰ As Amitav Acharya pointed out, “a major goal of the ARF is to discourage the use of force by its member states to settle disputes.”²¹

ASEAN and its offspring organisations (like the ARF), however, possess no significant centralised mechanism to enforce agreements signed by their members, monitor domestic events in member countries, or anticipate emerging problems. The bottom line of the “ASEAN Way” in foreign affairs is moral suasion.²² This orientation restricts its ability to maintain the status quo or effect a gradual and peaceful change in the regional system. Many regional security problems cannot be solved through ARF’s dialogues and the ASEAN method of consensus-building because of the historical origins of and the stakes involved in these disputes. ASEAN and the ARF assume that most disputes arise because of simple misunderstanding and lack of trust and that these squabbles can be mitigated by communication and confidence-building. Actually, many historical and lingering conflicts stem from competition over scarce resources, strategic advantage, control over a certain population, tilting the balance of power, or from the desire to be the major hegemonic power. These issues can only be resolved when the states involved (usually the great powers) agree to compromise or settle them through a systemic conflict or a hegemonic war.²³ Communications and confidence-building, by themselves, will not redefine what vital interests are involved nor will they resolve the clash of national interests.

The small Southeast Asian powers, even acting collectively and cohesively within ASEAN and the ARF, cannot definitively manage any security challenge or any unexpected change in East Asia. The best they can do is to influence the major powers in ways that may further their interests and manage any changes in the status quo. These small powers still need to obtain the tacit support of the great powers to let them occupy the ARF’s driver’s seat. However, occupying the driver’s seat does not automatically mean that they can steer the forum’s course and agenda to where they want without the concurrence of the great powers in the ARF. Being in

²⁰ Ibid., p. 23.

²¹ Amitav Acharya, *Regionalism and Multilateralism: Essays on Cooperative Security in the Asia-Pacific* (Singapore: Times Academic Press, 2002), p. 190.

²² Simon, “ASEAN and Multilateralism,” p. 267.

²³ This type of war can be defined as large-scale severe wars among major or great powers that involve the leading states at some point in the war and most other major states in a struggle resolving the most fundamental issues on the global political agenda. See John Vasques, *The War Puzzle* (The UK: Cambridge University Press, 1993), p. 63.

the driver's seat also means seeking consultation and recognising the great powers' various positions and competing interests on regional security issues and managing their own collective affairs as small powers. The ASEAN states must be able to manage the conflicting and sometimes converging interests of the great powers and their support and participation in the ARF. As Jurgen Haacke observes: "[T]o uphold ASEAN's position in the ARF and to ensure that the Forum remains central to security cooperation in the wider East Asia, ASEAN decision-makers accept that it is necessary to steer a middle path between defending the ASEAN way and embracing new understandings of some of its norms."²⁴

The general stability of the inter-great powers relationship is critically important to the ARF's survival and viability as a regional security forum for East Asia. Any regression to any adversarial relations among the great powers may cause this group of small powers to take sides or be paralyzed into a form of passive neutrality. Furthermore, this forum can only make substantive progress if there is cooperation among the great powers. Cooperation among the major powers requires that they all accept the status quo or at least that they all believe in the importance of a "peaceful change" in East Asia.²⁵ China, however, would test the limits of the ASEAN approach to regional security as it utilises an incremental approach in altering the status quo in the South China Sea, in the process creating fissures within this regional organisation.

THE SOUTH CHINA SEA DISPUTE AND THE LIMITS OF THE ASEAN WAY

In the mid-1990s, confronted by China's incremental efforts to alter the status quo in the South China Sea, the ASEAN member states applied the ASEAN-derived regional diplomacy to embed this great power in a regional security consensus.²⁶ Initially, China refused to be part of the ASEAN Way of managing the dispute as it considered the South China Sea issue to be a bilateral rather than multilateral matter.²⁷ Eventually, China saw the need for its participation in the ARF as an important but nevertheless tactical means to signal its "peace rise" and to counter the percep-

²⁴ Jurgen Haacke, *ASEAN's Diplomatic and Security Culture: Origins, Development and Prospects* (London and New York: RoutledgeCurzon, 2003), pp. 221-222.

²⁵ Daljit Singh, "Evolution of the Security Dialogue Process in the Asia-Pacific Region," in *Southeast Asian Perspectives on Security*, ed. Derek da Cunha (Singapore: Institute of Southeast Asian Affairs, 2000), p. 50.

²⁶ Sheldon W. Simon, "Conflict and Diplomacy in the South China Sea: The View from Washington," *Asian Survey* (November-December 2012) 52, 6, p. 1000.

²⁷ Ralf Emmers, "ASEAN's Search for Neutrality in the South China Sea," *Asian Journal of Peacebuilding*, 2 1 (2014), p. 64.

tion of “the China threat.”²⁸ Consequently, it changed its position as it apparently adopted ASEAN’s norms and principles as its style of informal diplomacy.²⁹ In the late 1990s, China successfully used multilateral organisations like ASEAN and the ARF to signal its engagement with Southeast Asia and to dispel concerns about any China threat.³⁰ On 2 September 2002, ASEAN and China signed the “Declaration on a Code of Conduct for the South China Sea,” which was a primarily a political statement of broad principles of behaviour aimed at stabilising the situation in the South China Sea and preventing an accidental outbreak of conflict in the disputed areas. In addition, the two parties pledged to practise self-restraint in activities that could escalate the disputes, and to deepen their efforts to “build trust and confidence between and among them.”³¹

When it was signed in 2002, the DOC was considered as an interim accord as well as the first step toward further cooperation between China and the ASEAN member states. The two sides, therefore, were expected to continue working on the eventual adoption of a binding code of conduct in the South China Sea. ASEAN’s goal is to transform the DOC from a broad statement of principles into a legally binding Code of Conduct (COC). As an association of small and medium powers, ASEAN has prioritised the pursuit of a binding code of conduct because it represents a complex commitment to creating and fostering a rule-based system, as opposed to a power-based regional order.³² The COC should serve both as a rule-based framework containing a set of norms, rules, and procedures that guide the conduct of parties in the South China Sea, and as a confidence-building mechanism in support of “a conducive environment for peaceful settlement of disputes, in accordance with international law.”³³

China is an emergent regional power determined to alter the region’s geopolitical status quo. Hence, it has resisted such efforts.³⁴ In public, China agreed to discuss the South China Sea dispute with ASEAN on a multilateral basis. But in private, however, it sought to discuss the dispute bilaterally with each individual claimant state. Then Chinese Foreign Minister Yang Jieche articulated this when he declared that “territorial and jurisdictional disputes should be resolved peace-

²⁸ Acharya, “Crunch Time for Asia-Pacific Multilateralism,” p. 20.

²⁹ Emmers, *op. cit.*, p. 64.

³⁰ Acharya, “Crunch Time for Asia-Pacific Multilateralism,” p. 22.

³¹ *Ibid.*, p. 64.

³² Alice Ba, “ASEAN’s Stakes: The South China Sea’s Challenge to Autonomy and Agency,” *Asian Policy* 21 (January 2016), p. 49.

³³ *Ibid.*, pp. 48-49.

³⁴ Leszek Buszynski, “The South China Sea Maritime Dispute: Legality, Power and Conflict Prevention,” *Asian Journal of Peacebuilding* 1, 1 (2013), p. 54.

fully through friendly consultations and negotiations.”³⁵ His statement was a direct portent to ASEAN that it cannot expect a deal with Beijing as a group, since not all ASEAN member states are parties to the dispute.³⁶ Furthermore, China also insists that it can manage the dispute by directly engaging ASEAN without the involvement of external powers. Consequently, little progress has been made toward the implementation of the DOC as well as the eventual negotiation of a legally binding COC.

More than ten years after China and ASEAN signed the DOC, the two parties have not even started the negotiation of the COC for the simple reason that China declared that the time was not yet ripe to do so.³⁷ This impasse stems from the fact that the ASEAN member states and China do not share the same objectives on the COC. On the one hand, the Southeast Asian states would like to conclude a COC as quickly as possible so that China will be drawn deeper into the ASEAN process of peaceful consultations and conflict-avoidance. On the other hand, as a great power, China does not want to be embedded into a diplomatic system created by small powers. Interestingly, it wants first the full implementation of a non-binding DOC before any formal negotiation of the COC begins. It supports a step-by-step approach whereby the conclusion of a legally binding COC is perceived as a long-term rather than an immediate goal.³⁸

In light of Chinese expansion in the South China Sea in the second decade of the 21st century, ASEAN has prioritised the pursuit of a binding COC because it emphasises the principles of international law, as well as existing regional codes of conduct like the ASEAN Treaty of Amity and Cooperation. During its chairmanship of ASEAN in 2013, Brunei put maritime security at the top of the summit agenda and declared that the negotiation of the COC was the goal of its chairmanship.³⁹ In 2015, as the ASEAN chair, Malaysia made the adoption of the COC its priority. Malaysia asked Thailand, as the country coordinator for ASEAN-China relations, to increase the frequency of consultations with China so as to facilitate the swift formulation and eventual agreement of a binding COC.⁴⁰

³⁵ Quoted from Acharya, “Crunch Time for Multilateralism,” p. 22.

³⁶ *Ibid.*, p. 22.

³⁷ Emmers, *op. cit.*, p. 64.

³⁸ *Ibid.*, p. 73.

³⁹ Catherine Dalpino, “Multilateralism is the Asia-Pacific,” in *Comparative Connections: A Triannual E-Journal on East Asian Bilateral Relations* (May 2013).

⁴⁰ Ba, *op. cit.*, p. 49.

In the face of ASEAN's efforts to negotiate and sign a binding COC, China officials have offered nothing more than accommodating rhetoric at times.⁴¹ In 2013, Foreign Minister Wang Yi declared that China was in no hurry to conclude an agreement on a COC as he insisted that cooperative activities and confidence-building measures in the DOC must first be implemented.⁴² This process, however, could take years.⁴³ China's efforts to delay any negotiation with ASEAN for a legally binding COC stem from two reasons. First, it is part of China's delaying strategy in resolving territorial disputes – this involves maintaining a state's claim to a piece of land but neither offering concessions nor outright use of force.⁴⁴ This strategy is premised on keeping existing claims in a dispute. The goal is to consolidate China's claims, especially to maritime rights or jurisdiction over these waters, and to deter other states from strengthening their own claims at China's expense, including resource development projects that exclude China.⁴⁵ Second, since Chinese officials believe that the South China Sea is a Chinese territory, a COC with the smaller claimant states is not relevant to China's goal – maritime expansion.

Despite its relentless efforts to militarize the South China Sea, however, China has also shown diplomatic pragmatism in dealing with the Southeast Asian countries. On 18 May 2017, China and the ten member states of ASEAN announced that they had finally agreed on a framework for a code of conduct on the South China Sea. On 6 August 2017, the ASEAN and Chinese foreign ministers endorsed the framework for the negotiation of a COC. The agreement on a framework agreement is an incremental step toward the creation of a conflict-management mechanism for the South China Sea dispute. However, the agreed framework is short on details and contains many of the principles and provisions already mentioned in the 2002 DOC.⁴⁶ ASEAN insists that the COC must be legally binding. However, Beijing wants adherence to the COC to be voluntary, similar to the 2002 DOC.⁴⁷ Furthermore, although the framework includes new references to the prevention and management of incidents, the phrase “legally binding” is absent from the text along

⁴¹ Dalpino, op. cit., p. 2.

⁴² Carl A. Thayer, “ASEAN, China and the Code of Conduct in the South China Sea,” *SAIS Review* XXXIII, 2 (Summer-Fall 2013), p. 82.

⁴³ *Ibid.*, p. 82.

⁴⁴ M. Taylor Fravel, “China's Strategy in the South China Sea,” *Contemporary Southeast Asia* 33, 3 (2011), p. 297.

⁴⁵ *Ibid.*, p. 293.

⁴⁶ Ian Storey, “Assessing the ASEAN-China Framework for the Code of Conduct for the South China Sea,” *Perspective* (Singapore: Institute of Southeast Asian Studies (ISEAS)-Yusof Ishak Institute, 8 August 2017), p. 1.

⁴⁷ Sheldon Simon, “U.S.-Southeast Asian: Regional Skepticism,” *Comparative Connections* (September 2017) 19, 2. p. 45.

with its geographical scope, and enforcement and arbitration mechanisms.⁴⁸ It is expected that the negotiation for a COC will be a process that is long and protracted, and most possibly frustrating since ASEAN and China are still in a quandary as to whether the future COC will be legally binding or not.

China has not only prevented ASEAN from effectively embedding it in the association's way of managing security issues by stonewalling the Southeast Asian states' efforts to negotiate a multilateral and legally binding COC, more importantly, it has also effectively neutralised the regional organisation by creating divisions within ASEAN by influencing its member states one by one. Called the salami strategy, this involves offering each claimant state a joint development venture as a means of resolving the South China Sea dispute. This is an important component of China's diplomatic initiative of "setting aside disputes and pursuing joint development" with a claimant state in the disputed maritime territories that from China's perspective actually belong to it.⁴⁹ China was able to apply this tactic when it convinced the Philippines and Vietnam to join a Joint Maritime Seismic Undertaking (JMSU) in the South China Sea in 2005. However, by joining the JMSU, the Philippines and Vietnam became complicit to China's salami strategy for two reasons:⁵⁰ a) the agreement undercuts the position of two ASEAN member states – Malaysia and Brunei – since it tacitly lends validity to China's extreme claims to islands and maritime space in the South China Sea; and b) by signing a trilateral deal, the Philippines and Vietnam derogated the united front that ASEAN had successfully formed to deal with China in the South China Sea. Accordingly, the forging of the original bilateral agreement with China bereft of any consultation with the other ASEAN members states could be seen as a violation of the spirit of the 2002 ASEAN-China Declaration on the Conduct of Parties in the South China Sea (DOC). As one Australian analyst notes: "[T]he Philippine government has broken ranks with the Association of Southeast Asian Nations, which was dealing with China as a bloc on the South China Sea issue ... Through its actions, Manila has given legitimacy to China's legally spurious 'historic claim' to most of the South China Sea."⁵¹

In 2012, China again applied the salami tactic against the Southeast Asian states during the 45th ASEAN Annual Meeting in Phnom Penh. This was the first time in ASEAN history that the ministerial meeting was not able to issue a formal com-

⁴⁸ Storey, *op. cit.* p. 1.

⁴⁹ Yang Mingjie, "Sailing on a Harmonious Sea: A Chinese Perspective," *Global Sea* 4, 5 (Winter 2010), p. 25.

⁵⁰ Mark Valencia, "The Philippines' Spratly Bungle," *UPIA Asia Online* (28 March 2008), p. 2. http://www.upiasia.com/Politics/2008/03/28/the-philippines/spratly_bungle/3227/?view=print.

⁵¹ Barry Wain, "Manila's Bungle in the South China Sea," *Far Eastern Economic Review* 171, 1 (January 2008), p. 2, <http://proquest.umi.com/pqdweb?index=12&did=1423249481&Src...>

communiqué. This unfortunate incident was a result of Cambodian Foreign Minister Hor Nam Hang's objection to any mention of the 2012 stand-off between Filipino and Chinese civilian vessels near the Scarborough Shoal and the Vietnamese and Filipino proposals that the communiqué should refer to the various marine incidents involving their ships and Chinese patrol boats.⁵² Despite efforts by Indonesia and Singapore to broker a compromise over the wording of the South China Sea section of the communiqué, Hor Nam Hong rejected the wording of several successive drafts. He insisted that bilateral disputes with an outside power were not an appropriate subject for an ASEAN communiqué, although such disputes have been discussed in various ASEAN meetings.⁵³ Acting as the ASEAN chair, Cambodia sought to appease Beijing by taking into account its concerns and minimising the internationalisation of the South China Sea dispute.⁵⁴ Consequently, for the first time in ASEAN's 45 years of existence, a joint AMM communiqué was not issued.

By vetoing any reference to the 2012 Scarborough Shoal stand-off, Cambodia took China's position that the South China Sea dispute should not be discussed in an international forum, especially when they involve external powers. China prefers, instead, to negotiate bilaterally with the Southeast Asian claimants states.⁵⁵ Consequently, the likelihood of ASEAN becoming divided over the South China Sea issue is a real possibility given the member states' divergent views over this issue, and more significantly, China's creeping influence within the association as a result of its growing economic and military capabilities. Observing the cleavage within ASEAN over the South China Sea dispute, Professor Sheldon Simon notes:

In retrospect the absence of ASEAN agreement on such a politically sensitive topic as the SCS [South China Sea] should not have been surprising – disappointing perhaps but not surprising...When it comes to dealing with China, they vary considerably, all the way from serving as a diplomatic surrogate for Beijing (Cambodia) to being willing to directly confront PRC and attempt to obtain open military support of the US (Philippines) to points in between, where keeping a low profile and adopting a hedging strategy is followed (Malaysia).⁵⁶

⁵² Simon, *op. cit.*, p. 1016.

⁵³ *Ibid.*, p. 1016.

⁵⁴ Emmers, *op. cit.*, p. 67.

⁵⁵ *Ibid.*, p. 67.

⁵⁶ Simon, *op. cit.*, p. 1016.

THE EAST ASIAN REGIONAL BALANCE OF POWER AND THE MARGINALISATION OF ASEAN

China's adroit ability to prevent the Southeast Asian states from embedding it in its system of peaceful consultations and conflict avoidance and its efforts to divide this regional association have diminished ASEAN's role in managing the South China Sea dispute and in effect, have weakened the ASEAN-centric security institutions as part of the security structure in East Asia. This trend will continue as the disparity of economic and military power between China and the ASEAN member states becomes wider and more obvious. Consequently, this has alarmed the other great powers in the region, who have warily observed ASEAN's diminishing role in the South China Sea dispute in particular, and in regional security affairs in general.

In November 2011, the Obama administration announced a strategic pivot to the Asia-Pacific region. This refocusing of American strategic attention to the Asia-Pacific was "to ensure that the US will play a larger and long-term role in reshaping the region and its future." The main gambit is backed by the diplomatic strategy of constraining China with a stick. It does not envision a Cold War-type containment of China, which is deemed simplistic and wrong, but to make China acknowledge "America's strength, determination, and strategy."⁵⁷ Its ultimate goal is to shape the norms and rules of the Asia-Pacific region and to ensure that "international law and norms [are] respected, that commerce and freedom of navigation are not impeded, that emerging powers build trust with their neighbours, and that disagreements are resolved peacefully without threats of coercion."⁵⁸

The US's strategic rebalancing to Asia provides further impetus for Japan (China's traditional rival in East Asia) to balance China in the South China Sea. It entails strengthening the American presence in Japan and South Korea, which is the cornerstone of the strategy, even as the US also builds up its security relationship with other states in and around Southeast Asia.⁵⁹ Specific to the maritime issue, the US always underscores that freedom of navigation in the disputed sea can only be guaranteed if the South China Sea remains a global common, that is, it belongs to all states and is not subject to sovereign control by a single powerful regional state. With the growing involvement of the US and Japan in the dispute, the South China Sea imbroglio is now a proxy for the deeper US (and its allies)-China strategic competition in the Asia-Pacific region. Consequently, East Asian states begin

⁵⁷ Mark Landler, "How Obama Switched to Tougher Line with China," *International Herald Tribune* (21 September 2012), pp. 1 and 14.

⁵⁸ Mark E. Manyin et al., "Pivot to the Pacific? The Obama Administration's 'Rebalancing' toward Asia," *Congressional Research Service* (Washington, D.C.: Congressional Research Service, 28 March 2012), p. 1.

⁵⁹ Michele Flournoy and Janine Davidson, "Obama's New Global Posture," *Foreign Affairs* 91 4 (July/August 2012), p. 59.

to weigh their interests and decisions in the context of their alliance or partnership arrangements (in most cases with the United States) and their (generally extensive) trade and economic relationships with China.⁶⁰ This, in turn, has greatly diminished ASEAN's role in managing the South China Sea dispute. One American academic insightfully observed:

The larger challenge for ASEAN is that the current dynamics of the South China Sea may have to do more with US-China relations than with ASEAN-China relations or the actual disputes. ASEAN and its member states, however, will bear some of the most direct costs, especially if the situation worsens. Dissatisfactions with current ASEAN-China processes could result in further internationalisation of disputes and the pursuit of non-ASEAN mechanisms...⁶¹

ASEAN's marginalisation in the South China Sea dispute is shown by the fact that from 2011 to 2016, ASEAN and China have regularly convened to formulate a draft COC but few specifics of the proposed agreement have come out in public.⁶² In the meantime, China has consolidated its claims in the South China Sea by reclaiming islands and constructing military infrastructures on those disputed land features. The PLA has built airfields on three artificial islands and has installed anti-aircraft guns and other weapon systems on all of the seven islands it controls to defend them against cruise missiles.⁶³ During the 30th ASEAN summit in Manila, the final summit communiqué failed to mention China's land reclamation and the installation of military structures on these artificial islands.⁶⁴ While ASEAN remained paralyzed and divided over the South China Sea dispute, China has rapidly expanded its strategic footprint across disputed land features in the Paracel and Spratly Islands, deploying its military, coast guard, and paramilitary patrols in contested waters.⁶⁵

⁶⁰ Tiffany Ma and Michael Wills, "Raising the Stakes: The Interests of Non-Claimant States in the South China Sea Disputes," *Asian Policy* 21 (January 2016), p. 5.

⁶¹ Alice Ba, "ASEAN's Stakes: The South China Sea's Challenge to Autonomy and Agency," *Asian Policy* 21 (January 2016), p. 52.

⁶² Sheldon Simon, "US-Southeast Asia Relations: Mixed Messages," in *Comparative Connections: A Triannual E-Journal on East Asian Bilateral Relations* 19, 1 (May 2017), p. 46.

⁶³ Robert Sutter and Chin-Hao Huang, "China Consolidates Control and Advances Influence," in *Comparative Connections: A Triannual E-Journal on East Asian Bilateral Relations* 19, 1 (May 2017), p. 52.

⁶⁴ Jake Maxwell Watts, "ASEAN Backs off Confrontation over China's Island-Building at Summit," *Dow Jones Institutional News* (29 April 2017), p. 1, <http://0-earch.proquest.com.lib1000.dlsu.edu.ph/docview/1893414248/fulltext/433D30753C8C4331PQ/31?accountid=28547>.

⁶⁵ Simon, "Mixed Messages," p. 45.

CONCLUSION

Since 2009, China has taken an aggressive approach in pursuing its expansive maritime claim in the South China Sea. Initially, it used a delaying tactic in the resolution of the dispute while it consolidated its claims over disputed maritime territories and deterred small claimant states from strengthening their own claims, in the process, weakening ASEAN. Eventually, the US and Japan showed their interests in the dispute and projected their naval prowess in East Asia. These two naval powers have also extended military assistance to the small claimant states in the South China Sea dispute – the Philippines and Vietnam. This, in turn, has raised the possibility of a major naval confrontation between an emergent power and two major naval powers in the South China Sea. These developments have created a potentially volatile balance of power situation in the South China Sea. So far, this balance of power has prevented an armed conflict among the claimant states. Consequently, many international relations scholars and analysts have elevated the South China Sea dispute from a simple territorial row to a high-level geopolitical concern since the disputed area is “a dangerous ground” or a “future of conflict.” As a “future of conflict,” the South China Sea becomes an arena where states with powerful navies will jockey for strategic and diplomatic positions with their warships in the high seas, pursue their conflicting claims for natural resources, and strive for supremacy in the Western Pacific.⁶⁶

This dangerous and unfortunate situation is partly a result of ASEAN’s inability to influence the security developments in the South China Sea. Since the early 1990s, in the face of China’s southward expansion into the South China Sea, ASEAN has sought to establish a conflict-management mechanism through the negotiation of a legally binding code of conduct to lower the risk of conflict among the claimant states. China, however, has prevented ASEAN from establishing this mechanism by delaying the negotiation of the COC and applying a salami strategy among the member states. This weakened ASEAN and created a strategic vacuum in East Asia.

Currently the United States and Japan are filling this space by strategically balancing China in the South China Sea. Beyond an immediate heightened tension in the disputed waters, increased strategic competition between China, on the one hand, and the US and Japan, on the other, has complicated the peaceful management of the South China Sea dispute and has effectively diminished ASEAN’s role on this issue. As the great-power rivalry over the South China Sea intensifies, the smaller Southeast Asian states will ultimately make a choice between a superpower determined to maintain the status quo and an emergent regional power determined

⁶⁶ See Robert Kaplan, “The South China Sea is the Future of Conflict,” *Foreign Policy* 188 (September/October 2011): 76-88, <http://search.proquest.com/docview/888030576?accountid=28547>.

to alter the current territorial arrangements in maritime East Asia. This, in turn, will erode not only ASEAN's clout in East Asian security matters but also threaten its very existence as a regional association of small powers committed to peace and stability in Southeast Asia.

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