



**S. RAJARATNAM SCHOOL
OF INTERNATIONAL STUDIES**
A Graduate School of Nanyang Technological University

RSIS COMMENTARIES

RSIS Commentaries are intended to provide timely and, where appropriate, policy relevant background and analysis of contemporary developments. The views of the authors are their own and do not represent the official position of the S.Rajaratnam School of International Studies, NTU. These commentaries may be reproduced electronically or in print with prior permission from RSIS. Due recognition must be given to the author or authors and RSIS. Please email: RSISPublication@ntu.edu.sg or call (+65) 6790 6982 to speak to the Editor RSIS Commentaries, Yang Razali Kassim.

No. 134/2010 dated 27 October 2010

East Asia's Territorial Disputes: Time for Preventive Diplomacy

By Kei Koga

Synopsis

The recent territorial disputes over the South China Sea and the Senkaku/Diaoyu Islands point to growing uncertainty in the region's maritime theatre. The East Asia Summit and the new ADMM Plus should be a timely security layer to help maintain regional stability.

Commentary

RECENT TENSIONS caused by territorial disputes over the South China Sea and the Senkaku/Diaoyu Islands appear to be dissipating. For matters concerning the South China Sea, the United States and ASEAN held the 2nd US-ASEAN Leaders Meeting in September and discussed the issue, yet their Joint Statement did not specifically mention the South China Sea to avoid further provoking China's territorial sensitivity. As for the Senkaku/Diaoyu Islands, Japan released a detained Chinese fishing boat captain after 17 days of detention despite public opposition. In turn, China decided to resume projects with Japan halted by the incident when Japan's Prime Minister Naoto Kan and China's Premier Wen Jiabao held a dialogue at the Asia-Europe Meeting (ASEM) on 5 October 2010.

Some argue that considering Japan's increase in trade and financial interdependence with China, heightening political tensions with Beijing would be mutually harmful since it further deteriorates the economic situation of all parties in the context of the global recession. This may be true, but these diplomatic interactions are only effective in the short-term. I argue that the longer-term security risk to regional stability in East Asia still exists, and that the East Asia Summit and ASEAN Defence Ministers Meeting (ADMM) Plus should therefore establish preventive measures for maritime stability in East Asia.

Long-term Security Risk in East Asia

There are four main sources of long-term risk from territorial disputes in East Asia.

Firstly, China's naval capability has been rapidly growing. According to the United States Department of Defence, with its pursuit of "air, sea, undersea, space and counterspace, and information warfare systems and operational concepts," the People's Liberation Army (PLA) is increasing naval anti-access and area denial capabilities beyond the Taiwan Strait. This is illustrated by China's development of anti-ship ballistic missiles, which have the capability to destroy ships as large as aircraft carriers at a range of over 1,000 miles. With China's lack of military transparency, this increases uncertainty and poses potential threats to states which

have territorial maritime disputes with China.

Secondly, China's assertiveness over its territorial sovereignty is growing. It is well known that China has been traditionally sensitive to territorial sovereignty, notably concerning Taiwan, Tibet, and Xinjiang; yet this year, a similar level of sensitivity extended to the South China Sea and the Senkaku/Diaoyu Islands as its "core interests"—non-negotiable interests. In fact, Chinese officials asserted in March that the South China Sea is Beijing's "core" national interest and the East China Sea, including the Senkaku/Diaoyu Islands, was newly added to the list of China's "core" interests, according to the South China Morning Post. As China asserted in the case of the Senkaku/Diaoyu territorial dispute between Japan and China, if Beijing perceives interference of its territorial integrity by a third party, it will use any means, including diplomatic, economic and military, to defend it.

Thirdly, the disputing states are stiffening their responses to China's assertiveness. As they attempt to prevent China from using more assertive strategies in the future, several East Asian states are attempting to increase their own military capability or enhance ties with the US. For example, Vietnam held a joint military exercise in the South China Sea for the first time with the US in July as both states, especially China, increased unilateral actions like fishing near the Paracel Islands. Also, despite the recent turbulence in the US-Japan alliance, especially over the relocation of US facilities in Futenma, the US reassured the defence of Japan over the *Senkaku* Islands. Recently the US and Japan decided to undertake joint naval exercises based on a hypothetical invasion of the islands in November.

Fourthly, these territorial disputes have the potential spillover effect. For example, soon after Japan was perceived as "softening" by releasing a Chinese captain, Russian President Medvedev decided to visit the disputed Northern Territories for the first time as a Russian president in order to consolidate its position over the disputed territory, which is raising political tension with Japan.

If this trend continues without any preventive measures, disputing states will further stiffen their postures on the territories, raising political tensions, reducing diplomatic flexibility and increasing the possibility of military conflicts.

Future Option in Multilateral Institutions

To counteract this trend, East Asian states should strengthen a monitoring mechanism for regional maritime stability through two measures.

Firstly, member states should include regional maritime stability in the agenda of the East Asia Summit and the newly established ASEAN Defence Ministers Meeting (ADMM) Plus. The current *post hoc* manner of setting maritime stability as an objective in ASEAN-led institutions is not sufficient to constrain states' behaviour. However, regular talks function as a monitoring mechanism to regulate regional maritime issues.

Secondly, East Asian states should press ahead to make the 2002 Declaration on the Conduct of Parties in the South China Sea legally binding, and should eventually expand it to the East Asian region as a whole. The non-binding nature of the 2002 code of conduct is losing its effectiveness in preventing conflicts, and its scope is limited to the South China Sea. Such an expansion would act as an enhanced monitoring mechanism and deter disputing states from pursuing a *fait accompli* strategy.

There are significant counter-arguments against these options, however. Firstly, China is likely to resist the internationalisation of territorial disputes since it has historically preferred bilateral negotiations. Secondly, these forums lack the "teeth" to sanction violators and cannot guarantee conflict prevention. However, the aim is to maintain the stability of the region, not resolve disputes. Also, identification of violators could prevent states from following a *fait accompli* strategy as these states may want to avoid risking their regional reputation. This in turn would provide non-violators justification to strengthen their military capabilities or political and security alignments with other states.

Although coordination of such policies would not be easy, taking this step to maintain regional maritime stability is worth pursuing.

Kei Koga is a Visiting Associate Fellow at the S. Rajaratnam School of International Studies (RSIS), Nanyang Technological University. He was previously a Vasey Fellow at Pacific Forum CSIS and currently a Ph.D. candidate at the Fletcher School, Tufts University.