

China and the Tension in the South China Sea:

A Defensive Realist Perspective

Klaus Heinrich Radtke

(PhD student at the Department of Government and International Relations of the University of Sydney; Junior Policy Associate at China Studies Centre of the University of Sydney.

E-mail: krad4572@uni.sydney.edu.au)

Over the past five years, China's behaviour in the South China Sea (SCS) has been described as assertive, aggressive or even abrasive by many scholars. Certainly, the majority of scholars, both in the West and China, suggest a shift in China's behaviour in the region from that of the previous period in the aftermath of the 1995 Mischief Reef Incident. This paper aims to offer an explanation for the tension in the SCS from a defensive realist perspective. The main proposition is that a situation of illusory incompatibility exists among claimants in the SCS, which leads to a security dilemma. Moreover, this paper also suggests that China possesses sufficient resources to mitigate the tension in the SCS. However, for a number of reasons, it does little to initiate reassurance towards other claimants in the SCS. In the near future, tension will continue in the SCS, unless significant change takes place in the factors that render China reluctant to initiate reassurance.

Keywords: China South China Sea Defensive Realism

Defensive realism: from anarchy to security dilemma

Neorealism and neoclassical realism, as developed from the grand theory of realism, have different focuses in explaining international relations. The former focuses on the international system and the latter on state-level behaviour. Both of these have offensive and defensive variants. Offensive realism suggests that security is scarce because resources are scarce.¹ States are struggling for scarce security and war is inevitable. The most reasonable behaviour for a state to ensure its survival is to be offensive. Those states that are offensive will gain the lion's share of the scarce resources and survive in the system. Based on this premise, offensive realism believes that conflict is inevitable, because states have to seek access to resources and this could require expansion. The gain of one state is a loss for the other and zero-sum is the rule of the game. Although still acknowledging the anarchic nature of the international system, defensive realism suggests that resources are manageable for all states and conflict is avoidable. Currently, states exist in an environment where expansion is no longer easy. States are constrained by international laws, norms and long-term interests. Expansion is a miscalculation, since those who appear to be aggressors are most likely to confront a balancing coalition that would eventually decrease rather than increase the chance of survival.² Technology and international markets also make resources more accessible and resource scarcity is no longer an excuse for being an expansionist.

Regarding the power–security relationship, offensive realism believes that power maximisation is necessary to enjoy security. The more power a state accumulates, the more secure it is. The reason is simple: greater military power will provide more security to a state; and if a state wins the arms race, it will rise up as a hegemon in the system, which eventually

¹ E. J. Hamilton and B. C. Rathbun, "Scarce Differences: Toward a Material and Systemic Foundation for Offensive and Defensive Realism," *Security Studies* 22, no. 3 (2013): 439.

² Kenneth N. Waltz, "The Origins of War in Neorealist Theory," *The Journal of Interdisciplinary History* 18, no. 4 (1988): 625.

guarantees its survival.³ However, defensive realism contends that power maximisation can be a “risky business”, since more power does not necessarily mean more security.⁴ Having either limited or excessive power propels insecurity, since the former attracts conquest and the latter provokes a balancing coalition by other states.⁵ The goal of states is not power, but security and maintaining their position in the system; therefore, what states need is an “appropriate amount” of power in order to achieve their goal.⁶

In the perspective of defensive realism, if a state accumulates power it will, as a consequence, face a balancing instead of bandwagoning, because as states wish to survive, a balancing will ultimately hamper the rise of those that might achieve prominent power.⁷ States will not bandwagon other rising states, simply because a state will always fear other states’ intentions with regard to its own survival.

The motive for balancing behaviour is rooted in uncertainty and fear. States can never be sure of other states’ intentions in the present and the future. A state may be satisfied with the territory and resources that it possesses, yet when it witnesses other states’ military build-ups, it becomes certain that its adversaries or competitors are inherently more dangerous than it had previously thought.⁸ This creates distrust and suspicion, and leads to a security dilemma. Jervis defines a security dilemma as a situation in which, “the means by which a state tries to increase its security decreases the security of others.”⁹ It is a dilemma for every security-seeker state, because in the system of anarchy, each state has to empower its self-

³ John J. Mearsheimer, "The False Promise of International Institutions," *International Security* 19, no. 3 (1994): 11-12.

⁴ Hamilton and Rathbun, "Scarce Differences: Toward a Material and Systemic Foundation for Offensive and Defensive Realism," 443.

⁵ Ibid.

⁶ Ibid.; Kenneth Neal Waltz, *Theory of International Politics* (Reading, Mass: Addison-Wesley Pub. Co, 1979), 126.

⁷ *Theory of International Politics*, 126.

⁸ Charles L. Glaser, "The Security Dilemma Revisited," *World Politics* 50, no. 1 (1997): 178.

⁹ Robert Jervis, "Cooperation under the Security Dilemma," *ibid.* 30, no. 2 (1978): 169.

help capability, but on the other hand, it is not easy to measure the “appropriate amount” of power that will not provoke other states’ suspicions.

Uncertainty and fear contribute to misperception among states. The misperception occurs when a state thinks other states’ military build-ups are not driven by security seeking, but due to their greediness, while in fact other states’ military build-ups are probably motivated by the state’s own increasing power. The misperception could happen not only in terms of an arms race, but also in a conflict of interest among states. Since the security dilemma situation occurs in the anarchic world, it is assumed that there are genuine conflicts of interest among states. One significant difference between offensive realism and defensive realism is that the latter suggests that a conflict of interest has both a subjective and objective side, therefore it can be reconcilable and irreconcilable.¹⁰ This means that defensive realism opens up the possibility for states to misinterpret the conflict among them, or alternatively, it could be that misinterpretation *per se* is the source of their conflict of interest. Tang argues that not all conflicts of interest support the application of the security dilemma. The conflict of interest should generate some particular qualities of a situation to be seen as a security dilemma. In a genuine conflict of interest like that of the SCS disputes, Tang defines the situation where the security dilemma may or may not apply as follows:

| | | |
|-----------|---|---|
| | | Subjective |
| Objective | Objectively reconcilable Subjectively reconcilable A situation of genuine compatibility Actual conflict is highly unlikely The security dilemma applies, but may well remain dormant | Objectively reconcilable Subjectively irreconcilable A situation of illusory incompatibility Actual conflict is not inevitable, but not unlikely The security dilemma may or may not apply |

¹⁰ Shiping Tang, *A Theory of Security Strategies for Our Time: Defensive Realism* (New York: Palgrave Macmillan, 2010), 43.

| | |
|--|---|
| Objectively irreconcilable Subjectively reconcilable A situation of illusory compatibility Actual conflict is almost inevitable The security dilemma usually does not apply | Objectively irreconcilable Subjectively irreconcilable A situation of genuine incompatibility Actual conflict is almost inevitable The security dilemma generally does not apply |
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Figure 1. Conflict of interest and the security dilemma

Source: Shiping Tang, *A Theory of Security Strategies for Our Time: Defensive Realism*. New York: Palgrave Macmillan, 2010:44

With offensive realism, there is no such uncertainty; states, indeed, can never be certain of others' intentions, yet in the anarchic system, all states always struggle to maximise their power. States fear each other not because of uncertainty, but because of certainty that states in a system of anarchy will do harm to weaker states. To borrow Donald Rumsfeld's phrase, this is the so-called "unknown known".¹¹ Therefore, for offensive realism, there is no security dilemma because, "when a state believes that it can do harm to you, it will – not just may".¹² Offensive realism also rejects the notion that conflict of interest has a subjective side. The conflict of interest is always objective since every state struggles for the lion's share of the scarce resources and will harm other states in its own interests.

The uncertainty and misperception lead to a security dilemma. The causal process of a security dilemma can be described as follows: Anarchy produces uncertainty; uncertainty leads to anxiety; anxiety leads to power contest; power contest leads to misperception and activates the dormant security dilemma.¹³

Offensive realism, while also based on anarchy, does not come to that conclusion. This supports the claim that the difference between these two structural realism approaches is

¹¹ Hamilton and Rathbun, "Scarce Differences: Toward a Material and Systemic Foundation for Offensive and Defensive Realism," 447.

¹² Shiping Tang, "Fear in International Politics: Two Positions," *International Studies Review* 10, no. 3 (2008): 454.

¹³ *A Theory of Security Strategies for Our Time: Defensive Realism*, 40.

essentially cognitive.¹⁴ Both offensive and defensive realism acknowledge the anarchic nature of the world system, yet each perceives with different perspectives.

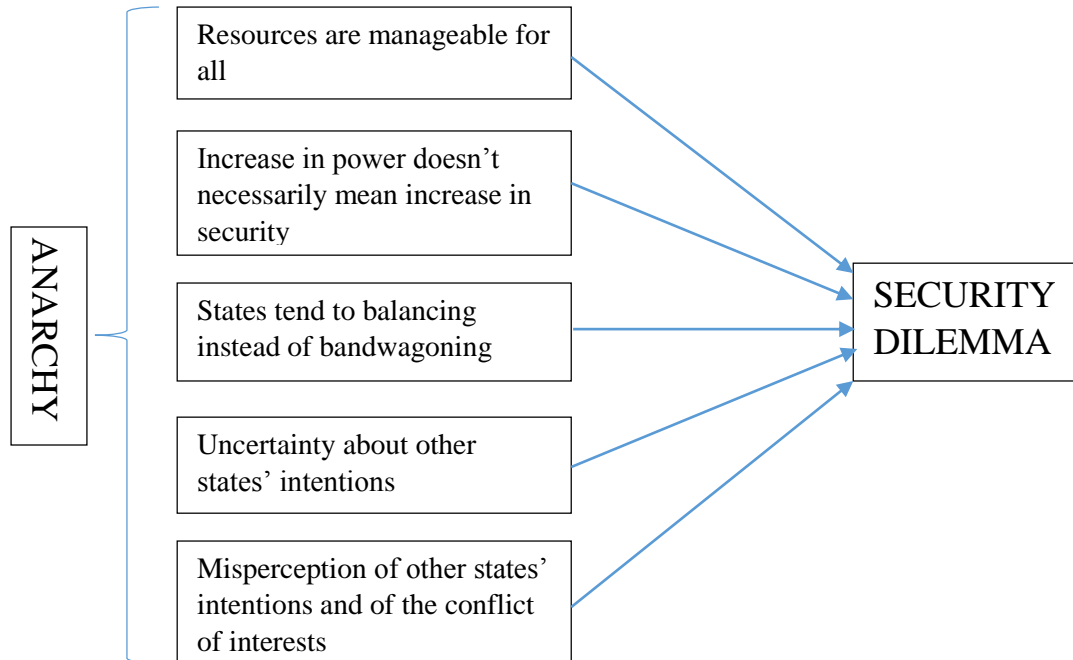


Figure 2. From anarchy to security dilemma according to defensive realism

However, the security dilemma is not a static situation. It can exacerbate into a deep security dilemma, which leads to the so-called spiral model. The spiral model begins when one of the states involved changes their intentions towards expansive behaviour. The spiral model can apply in a situation where one of the countries involved turns malign, or in a situation of deadlock when countries give up on peaceful means to resolve disputes and intend to use military means instead. However, the situation of a security dilemma and the spiral model is reversible. The spiral model can be transformed into a mitigated security dilemma by cooperation and reassurance, or as a worse outcome, it can transform to war. The

¹⁴ Hamilton and Rathbun, "Scarce Differences: Toward a Material and Systemic Foundation for Offensive and Defensive Realism," 448.

continuation of the spiral model depends on material regulators, such as asymmetric power, external allies and the mix of ethnic groups.¹⁵ The security dilemma and its continuum are described below:

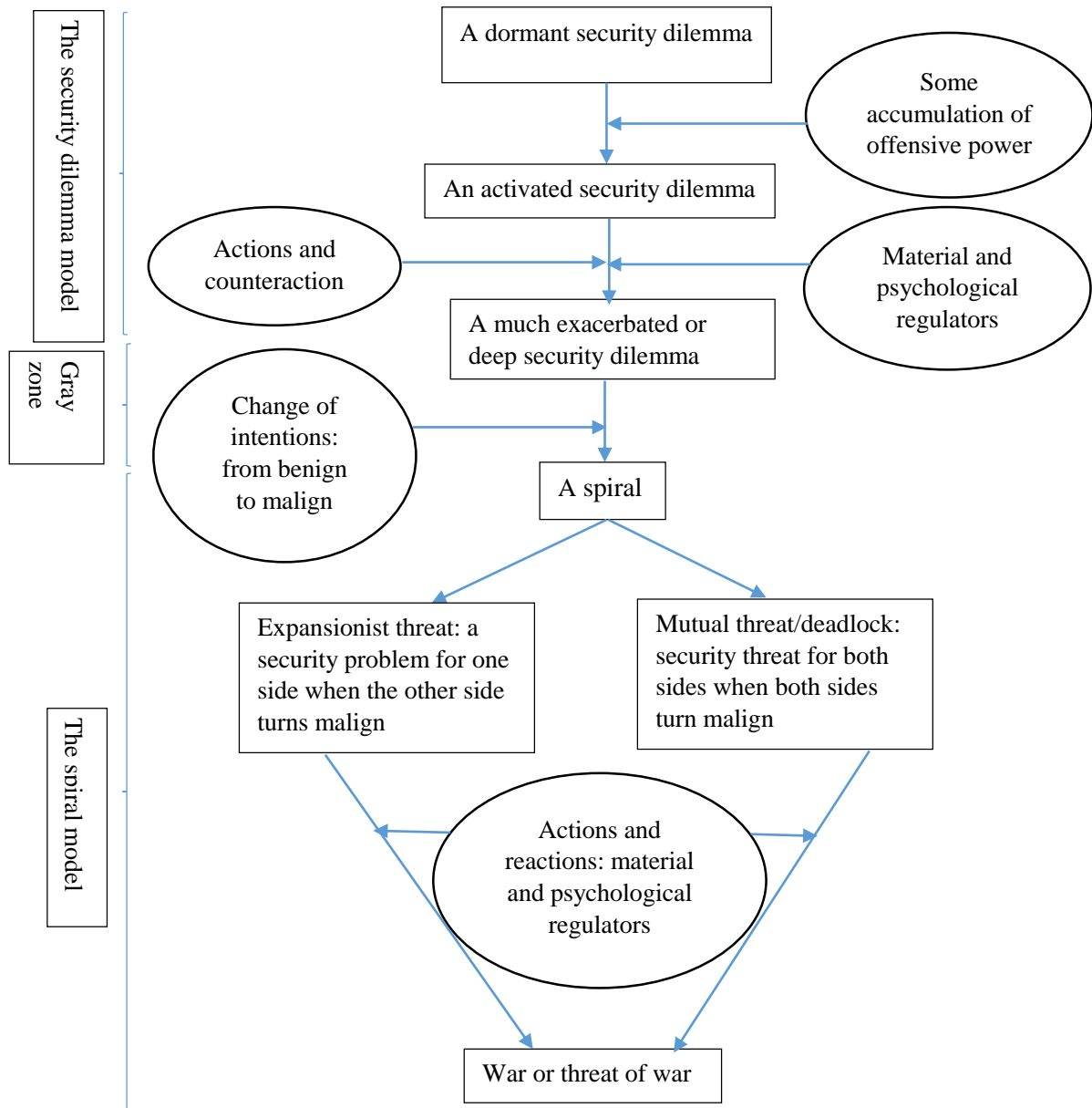


Figure 3. The continuum: from a security dilemma to a spiral

Source: Shiping Tang, *A Theory of Security Strategies for Our Time: Defensive Realism*. New York: Palgrave Macmillan, 2010: 65

¹⁵ Tang, *A Theory of Security Strategies for Our Time: Defensive Realism*, 66.

What are the main arguments of the SCS issue that can be inferred from defensive realist theory?

A. China is a defensive realist state

It is necessary to identify the nature of the states involved to discover whether a security dilemma applies in the SCS, because security dilemmas only take place between defensive realist states.¹⁶ Although Tang mentions security dilemmas between two states, this paper argues that it can apply between two or more states. In this context, this paper aims to elaborate the situation in the SCS among its claimants, especially between China on the one side, and other SCS claimants, i.e. Vietnam, the Philippines and Malaysia, on the other side.

Unlike an offensive realist state, which seeks security by power maximisation even if it violates other states' security, a defensive realist state does not pursue security by offending others, unless it has very exceptional reasons.¹⁷ In fact, a defensive realist state is very reluctant to launch attacks, and prefers a resistance behaviour when facing an imminent threat.¹⁸ In addition, a defensive realist state pursues security instead of expansion and considers cooperation a feasible means of self-defence.¹⁹ A defensive realist state also voluntarily restrains itself and accepts other countries' constraints.²⁰ The main military strategy of a defensive realist state is self-defence and deterrence, not expansion. It favours a strategy between engagement and passive containment, and rejects active containment, let alone preventive war.²¹

¹⁶ By state, Tang refers to independent political entities, e.g. tribes, chiefdoms, states, empires and warlords. Nevertheless, state can also mean government or administration, since he mentions that the US under George W. Bush is an offensive realist state in *ibid.*, 67, 87. In a more lenient definition, Yves-Heng Lim in "A Tale of Two Realisms in Chinese Foreign Policy," argues that China's foreign policy towards the US is in accordance with offensive realist perspective, whereas it could fit the defensive realist perspective when dealing with Southeast Asian countries. This means a country can adopt two realist approaches simultaneously, and by so doing it cannot be strictly categorised as an offensive realist state or a defensive realist state.

¹⁷ *Ibid.*, 31.

¹⁸ *Ibid.*

¹⁹ *Ibid.*, 20.

²⁰ *Ibid.*, 119.

²¹ *Ibid.*, 121.

From the above-mentioned criteria for a defensive realist state, one can be assured that China is a defensive realist state, as well as other claimants in the SCS, mainly Vietnam, the Philippines and Malaysia. These countries do not have ambitions to expand, and seek security in terms of self-help instead of pursuing hegemonic power. The debate on China's nature will be much more intensive and vigorous compared with other claimants in the SCS. This is because China has been accused of being assertive, aggressive and abrasive in the SCS, whereas other claimants have seldom been accused of such things. I argue that the Philippines, Vietnam and Malaysia can be categorised as defensive realist states, because of their non-expansionary behaviour and their attitude towards cooperation.

Regarding China, Tang argues that, since 1978, the country has shifted from being an offensive realist state to a defensive realist state. Furthermore, Tang attributes China's success in the past three decades to this shift in its strategy.²² Ralf Emmers also suggested that in the more specific period after 1995, relations between China and ASEAN (Association of Southeast Nations) members bilaterally and multilaterally reached a golden age.²³ China and the ASEAN cooperated in various fields, which resulted in truly significant achievements, such as the ASEAN Declaration on the Conduct of Parties in the SCS in 2002, and China's accession to the Treaty of Amity and Cooperation in Southeast Asia in 2003.

One may argue that China's attitude resembled a defensive realist state only in the late 1990s to the mid-2000s, and since then its attitude has shifted to a more aggressive stance. However, I would contend for several reasons that, although there is a shift in China's SCS strategy towards aggressiveness, it is still a defensive realist state. First, during the period of de-escalation after the Mischief Reef Incident (the late 1990s to the mid-2000s), China

²² "From Offensive to Defensive Realism: A Social Evolutionary Interpretation of China's Security Strategy," *China's ascent: Power, security, and the future of international politics* (2008).

²³ Ralf Emmers, "The De-Escalation of the Spratly Dispute in Sino-Southeast Asian Relations," in *Security and International Politics in the South China Sea: Towards a Cooperative Management Regime*, ed. W. S. G. Bateman and Ralf Emmers (New York: Routledge, 2009).

adopted the strategy of engagement towards other claimants, with the aim of buying time to consolidate its claims in the SCS—particularly to jurisdiction over the disputed waters and maritime rights—and deter other claimants from enhancing their claims at China’s expense, such as excluding China from resource exploration projects.²⁴ China also aimed to reduce the influence that external powers, especially the US, had over other claimants to avoid complicating its efforts to consolidate its claim in the SCS. The adoption of engagement strategy shows that China is a defensive realist state. Second, China has never meant to be expansionist. Regardless of how other states perceive China, its claim over the Spratly Islands and Paracel Islands is not something contemporary. China has a well-established stance that did not appear unexpectedly nor recently. As the country becomes more developed and powerful, it adjusts its strategy to protect its interests. The importance of the SCS to China and its growing capability have made it determined to assert its interests more vigorously, yet military conflict is not a viable option for China at the moment. Third, China itself regards its attitude as self-defence. It is surrounded by the hostile attitudes of its neighbours. The strong presence of the US in the region also adds to its uneasiness. The enhanced security alliance between other claimants and external powers, especially the US, could have been China’s reason for adopting a more strident approach.²⁵ China is neither an offensive realist state nor a pacifist state. Its proactive behaviour in exercising what it perceives to be its rights to some extent is not beyond acceptable limits. Fourth, China never dismisses cooperation as a means to avoid conflict. In fact, the idea of cooperation in the SCS, known as Deng Xiaoping’s “shelving disputes and seeking joint development,” was initiated by China. The country still formally upholds this policy and has never ruled out the possibility of de-escalating the tension by reassurance and cooperation.

²⁴ M. Taylor Fravel, "China’s Strategy in the South China Sea," *Contemporary Southeast Asia* 33, no. 3 (2011): 293.

²⁵ *Ibid.*, 314.

B. The situation of illusory incompatibility

China and the other claimants also have a misperception of the nature of the conflict of interest in the SCS. This paper contends that the situation in the SCS belongs in the upper-right quadrant of figure 1. The nature of the conflict of interest in the SCS is subjectively irreconcilable, since all claimant states involved are determined not to make any compromise on the sovereignty issue. All parties, overwhelmed with patriotic sentiment, firmly believe that they must abide by the paramount imperative to defend the territorial sovereignty inherited from their ancestors. However, from the perspective of the economy, the geostrategic situation, and legal mechanisms, the nature of the conflict of interest is objectively reconcilable. First, from the aspect of the economy, no one has confirmed the exact amount of hydrocarbon resources in the area. The resource estimations range from 25,000 Mboe to 260,000 Mboe.²⁶ All claimants are in a growth phase and are in great need of energy to secure unhindered development. Owen and Schofield contend that SCS resources do not have the capacity to offset the declining domestic production and the growing demand for energy in all claimant states.²⁷ This paper contends that the claimant states should cooperate to boost energy efficiency and develop alternative energy sources. China, for instance, no matter how enormous its resources are, will never be able to satisfy its energy needs while it ignores the urgency of improving its energy efficiency. In fact, energy security in China is more a domestic issue, i.e. efficiency, rather than an international one.²⁸

Second, geopolitically, the SCS definitely has a high strategic value. It connects the Pacific and Indian Oceans and is the main route of imported oil for East Asian countries. Yet,

²⁶ N. A. Owen and C. H. Schofield, "Disputed South China Sea Hydrocarbons in Perspective," *Marine Policy* 36, no. 3 (2012): 818.

²⁷ *Ibid.*

²⁸ Daojiong Zha, "China's Energy Security: Domestic and International Issues," *Survival: Global Politics and Strategy* 48, no. 1 (2006). Zha also mentioned that China's energy efficiency is only one-sixth of Japan's.

claimant states should by no means claim ownership or sovereignty over the SCS. On the contrary, they should cooperate to maintain peace, stability and freedom of navigation. The geopolitical significance of the SCS provides another reason for the claimant states to cooperate in tackling non-traditional security issues, such as piracy, and arms and narcotics smuggling.

Third, from the perspective of international law, there are legal mechanisms such as the International Court of Justice (ICJ), the International Tribunal on the Law of the Sea (ITLOS) and the Permanent Court of Arbitration (PCA) to resolve disputes peacefully. All claimants of the SCS—China (1996), the Philippines (1986), Vietnam (1994), Malaysia (1996), and Brunei (1996)—have ratified United Nations Convention on the Law of the Sea (UNCLOS), which regulates peaceful dispute resolution. Since bilateral negotiation—proposed by China—is rejected by the other claimants, the only reasonable means to resolve the disputes is through the PCA. Legal mechanism has been a peaceful and legitimate means to resolve territorial disputes in Southeast Asia. For instance, Indonesia and Malaysia submitted a case to the ICJ for the resolution of territorial disputes over the Sipadan and Ligitan Islands in 2002. Likewise, Thailand and Cambodia also submitted a case to the ICJ for the resolution of the territorial dispute over the Preah Vihear temple and its surrounding area in 2011. Seeking resolution through legal mechanism has been a commonly accepted practice in the region. By submitting the cases to the international legal mechanism, countries in Southeast Asia can maintain peace and stability in the region and put an end to the tedious disputes peacefully. The Philippine Government filed a case with the PCA in January 2013, and recently its cause was backed by Vietnam and Malaysia. Brunei appears to maintain a low profile in the disputes.²⁹

²⁹ Tessa Jamandre, "Brunei Snubs Asean Spratly Claimant's Meeting to Forge One Stand on China," VERA Files, 4 March 2014, <http://verafiles.org/brunei-snubs-asean-spratlys-claimants-meeting-to-forge-one-stand-on-china/>.

From the above, this paper can also advise that the incompatibility in the SCS disputes is illusory because there is an objective means to resolve it, and the only thing that makes the interests incompatible is the subjectivities of the claimants. Overall, the misperceptions between China and other claimants to the SCS take place at two levels: first, power contest; second, conflict of interest. These bi-level misperceptions lead China and other claimants to a security dilemma.

C. The application of security dilemma

This paper argues that a security dilemma applies in the region. In terms of power accumulation, since the 1990s, China has been increasing its military spending by double-digit increments almost annually.³⁰ The country's military budget has risen eightfold in 20 years.³¹ Comparative figures for increases during 2003–2012 are 175% for China and 32% for the US, and for 2011–2012, the figures are 7.8% for China and -6% for the US.³² In addition, China has the world's second-largest naval fleet, after the US, and the world's largest military personnel numbers.

Countries in Southeast Asia have also been attempting to upgrade their military capability. Malaysia's defence spending has more than doubled since 2000.³³ In March 2014, the Philippines purchased military infrastructure, including 12 FA-50 fighter jets from South Korea, eight combat utility helicopters and two anti-submarine helicopters, which are worth

³⁰ David Pilling, "Asia Follows China into an Old-Fashioned Arms Race," *Financial Times*, 2 April 2014, <http://www.ft.com/intl/cms/s/0/9d83bf62-b9b9-11e3-a3ef-00144feabdc0.html#axzz2yB0Ek9ob>.

³¹ *Ibid.*

³² Stephen Harner, "U.S. Policy, Not China Is Driving the Asian Arms Race," *Forbes Asia*, 6 April 2014, <http://www.forbes.com/sites/stephenharner/2014/04/06/u-s-policy-not-china-is-driving-the-asian-arms-race/>.

³³ Pilling, "Asia Follows China into an Old-Fashioned Arms Race".

at least USD 671 million.³⁴ The US pivot to Asia post 2010, which projects 50%–60% of US air and naval power to Asia, definitely exacerbates the arms race in the region.³⁵

It is obvious that China's military build-up, which is aimed at increasing its security, in fact propels the insecurity of its neighbours and eventually brings about complexity in the region. China has been insistently rejecting any external power's presence in Asia, i.e. the US involvement. Washington is perceived as the main obstacle to China gaining prominence in the region.³⁶ China has also been attempting to encourage its Southeast Asian neighbours to dismiss the China threat theory by providing assistance during the financial crisis and being involved in regional security agreements to maintain stability in the region. Yet the country's continuous military build-up worries its neighbouring countries. The small and weak Southeast neighbours eventually implemented a balancing strategy in respect of China by purchasing military infrastructure and forming an alliance with an external power, i.e. the US. They obviously prefer to balance China instead of bandwagoning the country. The reason is clear: they are concerned about China's intentions with regard to their security, especially over the issue of territorial disputes in the SCS. Without doubt, the increasing military power does not bring about heightened security for China; on the contrary, it threatens China's interests and security in the region. This situation leads to a security dilemma between China on the one side and other claimants to the SCS on the other side.

The uncertainty about the intentions of China's continuous military build-up creates misperception among other claimants. Given the vast territory of the country and the size of its population, China considers its military build-up unexceptional. Moreover, China has experienced tremendous economic growth since the 1980s, which created suitable conditions

³⁴ Raul Dancel, "Us\$671m Arm Buys to Upgrade Philippine Military," Asia News Network, 17 March 2014, <http://www.asianewsnet.net/news-58075.html>.

³⁵ Harner, "U.S. Policy, Not China Is Driving the Asian Arms Race".

³⁶ Yves-Heng Lim, "A Tale of Two Realisms in Chinese Foreign Policy," *China: An International Journal* 9, no. 2 (2011): 305.

to build up the country across all fields, including military. The increase in the country's military budget is a reasonable outcome of its economic rise. In terms of percentage of GNP, the military budget has declined from 2.2% in 2009 to 2% in 2012, according to the World Bank.³⁷ The US, which has a smaller population than China, spends about ten times as much as China on its military. Japan, China's regional rival, spends almost the same amount on its military as China does, although it has a much smaller population and territory. Yet, due to the difficulty in assessing the "appropriate amount" of power necessary to gain security, uncertainty and worries that lead to misperception will always occur among states.

D. The current situation: grey zone

The recent behaviour of China and other claimant states to the SCS has drawn the situation into a more exacerbated and deeper security dilemma. This paper argues that the situation in the SCS, particularly between China on the one side and the other claimants (Vietnam, the Philippines and Malaysia) on the other side, is turning from the security model into the spiral model, or more exactly, is in the grey zone (see figure 3). China, both in words and deeds, demonstrates a hardline and uncompromising stance in the SCS disputes. Unprecedentedly, the senior Chinese officials also expressly underline the dichotomy between China as a big state and the other claimant states in the SCS as small states. This contrasts with China's sympathetic posture during the cooperative/de-escalation period, which emphasized equality and mutual respect between states.³⁸ From the other side, the

³⁷ Shannon Tiezzi, "China's Growing Defense Budget: Not as Scary as You Think," *The Diplomat*, 5 February 2014, <http://thediplomat.com/2014/02/chinas-growing-defense-budget-not-as-scary-as-you-think/>.

³⁸ At the ASEAN Ministers' Conference in Hanoi in July 2010, Foreign Minister Yang Jiechi stated that, "China is a big country and other countries are small countries and that's just a fact". In addition, at a news conference during the National People's Congress in Beijing, 8 March 2014, Foreign Minister Wang Yi addressed the territorial disputes in the SCS by saying that, "there is no room for compromise" and "China would never accept unreasonable demands from smaller countries".

Philippines, which has one of the weakest military forces in the region, also demonstrates its “schizophrenic” attitude by delivering bitter statements.

China's hard-line behaviour led to its neighbours becoming more cohesive in forming alliances. Even though a formal alliance against China does not exist, the support from Vietnam and Malaysia in backing the Philippines' case demonstrates the tendency for the disputes to polarize. At this stage, trust is somewhat lacking between China and the other claimants. As mentioned earlier, the situation of a security dilemma and the spiral model is reversible. The security dilemma cannot be eliminated, but it can be mitigated.³⁹ It can only be mitigated by reassurance and cooperation, otherwise it turns into a spiral model, which could lead to war. This paper contends that, primarily, China's attitude will determine if reassurance and cooperation can happen in order to mitigate the security dilemma. It will be China's initiative that alleviates the tension and leads the region to a cooperation track. The other claimants have less possibility or capability of taking the initiative.

Will the tension in the SCS be eased soon?

As mentioned above, the continuum from a security dilemma to a spiral is reversible. The conditions can turn into a mitigated security dilemma or at worst, military conflict. However, one of the important operational codes of a defensive realist state is its willingness to adopt engagement strategy. The strategy of engagement incorporates three major components: reassurance, invitation to cooperate, and hedging against the possibility that the other side is an aggressor.⁴⁰ Engagement strategy can serve five critical purposes simultaneously: 1) to assure the other side of one's good intentions; 2) to gauge the other side's real intentions; 3) to deter the other side from aggressive behaviour; 4) to change the

³⁹ Tang, *A Theory of Security Strategies for Our Time: Defensive Realism*, 70.

⁴⁰ *Ibid.*, 102.

other side's intentions to a cooperative or at least a more moderate behaviour; 5) to buy time for power consolidation in case the other side really has an expansionist ambition.⁴¹

Normally, a strategy of engagement is adopted by a defensive realist state and is reciprocated by other defensive realist states. The engagement strategy begins with reassurance. Tang defines reassurance as an attempt or measure to reduce others' anxiety about something, i.e. intention or behaviour.⁴² Generally, reassurance is manifested by extending an invitation to cooperate or seeking extensive cooperation.

Historically, China has adopted the engagement strategy in winning over its Southeast Asian counterparts. During the state visit of Philippine President Corazon Aquino in April 1988, although trade dominated the meeting between the two, Deng Xiaoping reiterated China's foreign policy: "From the perspective of cordial bilateral relations, this issue [dispute over the Spratly Islands] can be set aside and therefore the two countries may pursue, instead, a joint development approach."⁴³ On 22 July 1992, the Association of Southeast Nations (ASEAN) formulated The ASEAN Declaration on the South China Sea, which urged all parties to apply restraint in order to build a situation that was conducive for the settlement of the issue.⁴⁴ A code of conduct that was promoted by this declaration was then included in the communiqué from the Philippine–China meeting of August 1995 and the Philippine–Vietnam meeting of November 1995, which discouraged military force and urged for a peaceful resolution according to the principles of the 1982 UNCLOS.⁴⁵

⁴¹ Ibid.

⁴² Ibid., 132.

⁴³ 中华人民共和国外交部, "“搁置争议, 共同开发”", (2000), http://www.fmprc.gov.cn/mfa_chn/ziliao_611306/wjs_611318/t8958.shtml.

⁴⁴ Leszek Buszynski and Iskandar Sazlan, "Maritime Claims and Energy Cooperation in the South China Sea," *Contemporary Southeast Asia* 29, no. 1 (2007): 154.

⁴⁵ Emmers, "The De-Escalation of the Spratly Dispute in Sino-Southeast Asian Relations," 131.

After the 1995 Mischief Reef incident, the SCS experienced a period of tension “de-escalation”.⁴⁶ Since that time, China’s policy towards the SCS has been characterised as self-restrained and accommodating to multilateral negotiations, especially through the ASEAN regime.⁴⁷ The country has softened its insistence regarding adopting a bilateral instead of a multilateral approach. Beijing’s “charm offensive” in the region has indeed won over ASEAN member countries. One of the most significant milestones in mutual understanding between China and ASEAN was the Declaration on the Conduct of Parties in the South China Sea, made on 4 November 2002 in Pnom Penh.

However, during the past five years, the situation has been deteriorating in the region without any signs of a reverse. The parties concerned need to adopt a reassurance measure to restore the trust. This paper argues that China has greater resources to initiate reassurance and effectively alleviate the tension in the region. Tang suggests that the state that initiates reassurance must not be an overwhelmingly worried or insecure one.⁴⁸ The more secure state is provided with the conditions to initiate reassurance, because it perceives that another less secure state is unlikely to cause a deleterious outcome.⁴⁹ Furthermore, Tang also stresses the importance of timing when initiating reassurance. In other words, to be successful, reassurance must be initiated at the right time. The right time for initiating reassurance towards another state is when that state is in a vulnerable position. Tang argues that reassurance could be initiated when another state is vulnerable by not only refraining from taking advantage of the situation, but also by offering a helping hand.⁵⁰

⁴⁶ Ibid.

⁴⁷ Ibid., 135.

⁴⁸ Tang, *A Theory of Security Strategies for Our Time: Defensive Realism*, 156.

⁴⁹ Kydd, Andrew H. *Trust and Mistrust in International Relations*. Princeton, N.J: Princeton University Press, 2005, 183 quoted in *ibid.*

⁵⁰ Ibid., 160.

In the context of the SCS, China is certainly the most secure state with its advanced military power in the region vis-à-vis other claimants. Hence, the country is provided with the right conditions to initiate reassurance. However, currently, China does not have any intention of initiating reassurance towards its Southeast neighbours. For instance, when typhoon Haiyan severely affected the Philippines in November 2013 with the death toll topping 6,000, the world's second-largest economy only donated USD 2 million to help with the relief effort, even less than Swedish furniture chain Ikea's USD 2.7 million.⁵¹ In comparison, the US has pledged USD 20 million, Britain's contribution totals USD 16 million, Japan and Australia each announced USD 10 million, the UN USD 2 million and the Vatican USD 4 million. These contributions excluded other relief aid such as food, medical supplies, medical teams, etc.⁵² Initially, prior to being strongly criticised by the rest of the world, China offered just USD 100,000 plus USD 100,000 for the Chinese Red Cross relief efforts in the disaster-hit area.⁵³ According to Zheng Yongnian, a China analyst at the National University of Singapore, due to lack of strategic calculation, the country failed to seize the opportunity to represent itself as a responsible power and to restore trust.⁵⁴ This indicates that China clearly does not have any intention of initiating reassurance at the moment.

Further proof is provided by the case of the joint search for missing flight MH 370 from Kuala Lumpur to Beijing in March 2014, where the majority of the passengers were Chinese. The Philippines and Vietnam were two of the four initial countries to assist with search efforts for the missing plane, despite the fact that there were no Philippine or Vietnamese nationals on board. Vietnam deployed four aircraft and seven maritime vessels to

⁵¹ Steve Mertl, "China Slammed for Giving Less Typhoon Haiyan Aid to Philippines Than Ikea," Daily Brew, 14 November 2013, <https://ca.news.yahoo.com/blogs/dailybrew/china-slammed-giving-less-typhoon-haiyan-aid-philippines-004937967.html>.

⁵² Ibid.

⁵³ Ibid.

⁵⁴ Ibid.

search between the southern region of the country and Malaysia, whilst the Philippines sent a surveillance plane and three navy patrol boats to the SCS to help in the search.⁵⁵ These efforts, however, turned out to be futile. First, the plane was not missing in the SCS; second, assuming that MH370 was missing in the SCS, Vietnam and the Philippines have limited military capacity to locate the debris. The involvement of Vietnam and the Philippines from the initial stages of the joint search for the missing plane can be considered an indication of reassurance, even though there was no significant result from the joint effort. However, China does not seem to be impressed by, nor interested in reciprocating Vietnam and the Philippine's reassurance moves. The tension in the SCS is still increasing, and China is not demonstrating any reassurance to mitigate it. Recently, there have been at least two notable incidents that have heightened the tension in the SCS. The first is China's attempt to blockade two Philippine vessels that were delivering food and fresh troops to *Sierra Madre* at the disputed Second Thomas Shoal on 29 March 2014.⁵⁶ The ship, the *Sierra Madre* was deliberately scuttled in 1999 at the Second Thomas Shoal to symbolise that the waters are within the Philippines' EEZ. The second incident is China's disregard of Vietnam's objections to the drilling activity by the HYSY 981 rig near the Paracel Islands on 5 May 2014. Vietnam contended that the activity was conducted within its EEZ and continental shelf as defined by the 1982 UNCLOS.⁵⁷ The rejection by China of Vietnam's grievance has led to massive protests against Chinese and Taiwanese companies in Vietnam.

⁵⁵ Michelle FlorCruz, "Search Updates for Missing Malaysia Mh370 Flight: China, Taiwan, Us, Singapore, Philippines, Australia and Others Send Help," International Business Times, 10 March 2014, <http://www.ibtimes.com/search-updates-missing-malaysia-mh370-flight-china-taiwan-us-singapore-philippines-australia-others>.

⁵⁶ Erik de Castro and Roli Ng, "Philippine Ship Dodges China Blockade to Reach South China Sea Outpost," Reuters, 30 March 2014, <http://www.reuters.com/article/2014/03/30/us-philippines-china-reef-idUSBREA2T02K20140330>.

⁵⁷ Chris Brummitt, "China Refuses Vietnam's Call to Stop Oil Drilling," Associated Press, 5 May 2014, <http://news.yahoo.com/china-refuses-vietnams-call-stop-oil-drilling-110341970--finance.html>.

There are at least four reasons why China is currently reluctant to initiate reassurance in the region, despite the fact that the country has the best resources and conditions to initiate reassurance. First, historically, China has initiated reassurance towards its Southeast neighbours. Tang points out that engagement between China and Southeast Asian states in the past two decades has led to some “genuine cooperation” from both sides.⁵⁸ However, in the SCS, particularly in the field of energy resources, China feels uneasy with other claimants’ activities in the disputed waters. According to Song Enlai, chairman of the China National Offshore Oil Corporation (CNOOC) board of supervisors in 2011, the exploration activities of other claimant states in the SCS have caused China to lose about 20 million tons of oil annually, or about 40% of the country’s total offshore production.⁵⁹ A report from China’s State Oceanic Administration (SOA) in May 2013 claims that oil reserves in the SCS represent 33% of China’s total oil reserves, and that they are crucial to China’s rapid economic development.⁶⁰ The report also mentions that China extracts no oil from the SCS, while neighbouring claimant states have built more than 200 drilling platforms there.⁶¹ China is very dissatisfied with other claimant states regarding the implementation of Deng’s “shelving disputes, seeking joint cooperation” policy. As a result, China seems reluctant to initiate a reassurance policy as the experience has created distrust towards other claimant states in the SCS.

Second, China can see no goodwill from other claimants. Following the poor experience during the de-escalation period, China harbours distrust towards the other claimants. China considers other claimants do not have the necessary goodwill to resolve the

⁵⁸ Tang, *A Theory of Security Strategies for Our Time: Defensive Realism*, 134.

⁵⁹ Carlyle A Thayer, "China's New Wave of Aggressive Assertiveness in the South China Sea" (paper presented at the Conference on Maritime Security in the South China Sea, sponsored by the Center for Strategic and International Studies, Washington, 2011).

⁶⁰ Robert Sutter and Chin-hao Huang, "China-Southeast Asia Relations: China's Toughness on the South China Sea," *Comparative Connections* 15, no. 1 (2013).

⁶¹ *Ibid.*

issue in the SCS. This is exacerbated by the Philippines' move to bring dispute to the Permanent Court of Arbitration (PCA) in January 2013. Vietnam and Malaysia backed the Philippines against China, which emphasised the polarisation among claimants of the SCS.⁶² Recently, the Enhanced Defense Cooperation Agreement between the US and the Philippines in April 2014 was also perceived by China as a lack of goodwill in resolving the issue of the SCS.

Third, reassurance currently, or in the near future, does not serve China's interests. From the late 1990s until the mid-2000s (during the period of de-escalation), China was in a development stage and focused on maintaining a conducive environment for economic growth. Hence, China needed to assure its neighbours that the country posed no threat. At that time, China also needed to polish its international image as a responsible power and rid itself of anything that might hinder its development. However, recently, the need for the abovementioned has become less urgent for China. The country is desperate to have enough energy to support its economy, and it possesses the ability to explore the resources in the SCS without other's involvement. Moreover, China's military might dominates all states in the region. The country is able to expel any "encroachment" within its claimed territory unilaterally, without compromise. In terms of science and technology, China is able to conduct high-risk offshore exploration. In May 2012, China National Offshore Oil Cooperation (CNOOC) launched its first drilling rig, which exploits seabed resources as deep as 3000 m below sea level.⁶³ The country possesses the capacity to conduct exploration activities without any external party's involvement. Furthermore, as it faces mounting domestic problems, the regime can capitalise on the SCS issue to stir up nationalist sentiment

⁶² Matikas Santos, "Philippine Has Backing of Vietnam, Malaysia Vs China's Sea Claims," *Inquirer.net*, 6 March 2014, <http://globalnation.inquirer.net/99908/ph-has-backing-of-vietnam-malaysia-vs-chinas-sea-claims-says-binay>.

⁶³ Ralf Emmers, *Resource Management and Contested Territories in East Asia* (Basingstoke: Palgrave Macmillan, 2013), 66.

and distract its people from criticising the government on domestic mismanagement. The communist regime will not compromise on anything that could hamper its economy and eventually threaten its legitimacy. Thus, the strategy of reassurance seems to offer nothing favourable to China.

Fourth, there is no incentive/pressure from a third party. According to Tang, a state should have enough incentive to initiate reassurance.⁶⁴ The claimant states in the SCS perceive no common enemy that binds them together for cooperation. Moreover, there is no incentive from the US for China to initiate reassurance. China regards the domestic need for energy as more important than creating a benevolent image internationally. The US itself seems to be taking advantage of the status quo. On the one hand, the US can maintain a good relationship with China; on the other hand, the anxiety of the Southeast Asian states provides a reason for the country to strengthen its pivot to the region.

Having said this, the tension in the SCS seems to continue without any sign of abatement in the near future. No conditions exist that make it worthwhile for China to initiate reassurance in the region. China often iterates that the country is ready to negotiate a Code of Conduct in the SCS when the “time is ripe”. Seemingly, this time will not come soon, unless there are significant changes in the four above-mentioned factors.

⁶⁴ Tang, *A Theory of Security Strategies for Our Time: Defensive Realism*, 158.

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