THE SPRATLYS DISPUTE AND THE MAJOR POWERS

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INTRODUCTION

The Spratly archipelago is made up of about 100 islands, coral reefs, shoals, atolls, and sand pits covering 160,000 square km, with the biggest, Itu Aba, about 600 acres. Because of its vast size and uninhabitable nature, no coastal state has been able to effect permanent settlement or exercise effective control over more than a small portion of the islets and the surrounding sea area. This encourage claims and counter claims made on the archipelago.

The Spratlys are the most contested of the islands group in the South China Sea. There are six countries directly claiming ownership of the islands. The countries are the People's Republic of China, Republic of China or Taiwan, Republic of Vietnam, the Philippines, Malaysia and Brunei. China and Vietnam are claiming the whole archipelago. Meanwhile the Philippines, Malaysia and Brunei are only claiming part of the islands. Apart from the claimant states, the Spratly struggle also concerns the major powers.

This paper focuses on the interests of the major powers which includes the United States, Soviet Union/Russia, Japan and China. What interests do the major powers have on the Spratlys? And to what extend do the major powers would respond if it falls to a prospectus enemy? Major powers rivalry has been a main feature in Southeast Asia since the end of the Second World War. Spratlys, during the Cold War clearly shows that it is an arena for the major power rivalry that involves China vs Vietnam (backed by Soviet Union). I argued that during the post Cold War period, with the decline of the Soviet Union and the United States withdrawal from the region, China is been left to fill the power vacuum. China is beginning to turn itself into a great power in the region. Since it is the only power involved directly in the dispute over the Spratlys, it is testing other major powers immediate reaction to its use of force on the other claimants.

REASONS FOR THE CLAIM

What are the main reasons for the claims/counter claims and interests shown by the major powers on the islands? Firstly, the potential oil, and other mineral resources such as tin and natural gas. Secondly, the area is also rich in marine resources. Since most of the coastal areas are already over-fished waters around the islands provide an alternative for the fishing industry. Thirdly, the Spratlys are considered as a potential strategic bases for sea-lane defense, interdiction, surveillance and possibly for launching land attacks by any power occupy them.
All of the major powers rely upon access to sea lanes for commercial and military transit. Since the Spratlys lie along the route connecting the east and the west, any conflict would not be welcomed by them since this would affect the safe passage. As Michael Leifer notes:

*They may arise from naval deployment by an external maritime power, intended to interrupt passage either in maritime narrows or at any suitable points along the extensive routes between the Indian Ocean and the Pacific Ocean.*

This possibility poses a threat to the major power. Although it is very unlikely that any power would resort to interrupt the passage, the possibility could not be ruled out.

**THE UNITED STATES**

The United States interest in Southeast Asia, was related to the United States broader interest in Asia. Containment of China was the second United States global priority after Soviet Union. In Asia, China was seen as the principal external threat. However, since 1968, United States perception of Southeast Asia began to change dramatically. This can be attributed to the growing economic costs and domestic pressure on the United States of involvement in Vietnam, and the growing sense of frustration via the unwinnable war. The United States announced the Nixon Doctrine in 1969, reflecting United States desire for withdrawal from its commitment in Asia, especially in IndoChina.

The doctrine draws the American new role, restricting itself to limited military and economic assistance. The United States proclaimed to provide a shield if a nuclear power threatened the freedom of an allied state, but the emphasis was given to the point that the allies themselves should assume the primary responsibility for their own defence. Furthermore the international situation has also changed with the growing animosity in the Sino-Soviet relations, giving the chance for the United States to exploit further the situation. The Sino-American rapprochement in 1972 was the turning point of event and China became a quasi-ally of the United States.

Even though the significance of Southeast Asia in the United States strategic agenda has decline dramatically after 1975, it remains important for two reasons:

a. The region strategically links the Indian Ocean and the Pacific. The Strait of Malacca, the Strait of Sunda, and Strait of Lombok are all vital to the United States as a shipping lane. It was also particularly important to the United States in the context of the ‘one and a half force a sizing strategy: swing strategy’. The United States has made it clear that any infringement of its trade routes in the Asia-Pacific would evoke massive military retaliation. The United States Seventh Fleet also relies for its communication and logistics on the straits. Furthermore, the straits and
South China Sea are also the petroleum lifeline of the regional powers like Japan, Taiwan, and South Korea.

b. The United States has its military base in the Philippines, the Subic Naval Base and Clark Airbase which holds the linchpin of the United States defence structure for not only the Asia-Pacific region but also the Indian Ocean and the Gulf.

c. The United States economic interests in Southeast Asia have been increasing as the region becomes one of the most dynamic and viable economic zones. ASEAN is now the seventh largest United States trading partner with two-way trade amounted US$ 28 billion and United States investment in ASEAN states exceed US$10 billion in 1987, second to the Japanese.

In the case of the Spratlys, the United States attitudes has been very reserved. This is probably related to the cause it involves China (its quasi-ally) and Vietnam (Soviet ally) in the dispute. Although in 1988 China had applied pressure on Vietnam in order to stake its claim on the Spratlys, the United States showed no explicit response. United States was still haunted by the Vietnamese syndrome, thus making it more cautious to intervene in any local conflict. In this circumstances, it can be said that the United States would not intervene, as long as the Soviet are kept from supporting Vietnam. Furthermore, since the dispute cropped up, China’s hostility is only towards Vietnam behaviour.

It was believed that the United States would aid the Philippines in the case of hostilities over the Spratlys by either China or Vietnam. Since the Philippines has a 1952 mutual defence treaty with the United States, Manila no doubt had to rely on the United States.6 Although the United States has made it clear that it would not become involved in the disputed territories, in the 1979, the United States guarantee to former Philippines president, Ferdinand Marcos was reaffirmed in an exchange of notes that strengthened Article 5 of the United States-Philippines Mutual Agreements. The note authorises the Philippines to request United States assistance in the event of an attack on Philippines armed forces, vessel, or aircraft anywhere in the Pacific.7 It might be expected that the United States would perhaps like to see consolidation and strengthening of a Philippines military presence in the Spratlys as a way to prevent the spread of Vietnamese (and thus Soviet) control over the area.

After the United States pull out from the Subic Naval Base and Clark Airbase in the Philippines in 1992, Washington was offered by several ASEAN members limited port repairs facilities for United States warship, thus assisting Washington in sustaining a reduced deployment in Southeast Asia. It is in this sense that the United States knew that despite the ASEAN members view towards Washington, they still desired to keep the United States in the vicinity against China’s challenge in the South China Sea.8 After the Chinese military venture on the Mischief Reef in 1995, Beijing quickly assured the United States that they do not have any intention to further control the area.9 In other words, Beijing assured the United States that
they would leave the South China Sea open. This quick act by Beijing clearly shows that Beijing was aware that as long as it did not interrupt, closed or blocked the passageway the United States would not interfere in the dispute, even if it involves the Philippines in the 1995 incident. After all, it is obvious that the United States has significant strategic interest in the Spratlys.

SOVIET UNION/ RUSSIA

Like United States, the Soviet Union uses the South China Sea for both naval and commercial purposes. It was noted that on its cruises to and from the Indian Ocean the Vladivostok -based Soviet Pacific Fleet, reported to comprise 750 vessels of various sizes and function, finds the South China Sea route ideal for showing its flag to friends and foes alike.16 The Soviet interests toward the South China Sea has increased since its gaining access to the Cam Ranh Naval Base in the late 1970's. Cam Ranh is important in Soviet strategic interest because it provides the Soviet a chance to project its military power in an area which has previously been a 'preserve of the West'.11 It could also intercept the US in the region. The presence of the Soviets in the region could also be seen as a device for pressuring the Chinese. Furthermore, the Soviets also have to protect their sea lanes of communication, especially in materialising its hopes to develop Siberia.

On the issue of the Spratlys, a strong support of the Soviet Union towards the Vietnamese might be seen as a deterrent to the Chinese. This is one reason why Vietnam leased the base to the Soviets. The Soviet have also been aiding Vietnamese naval development, providing frigates, fast attack craft, and ASW helicopters. As a result, the Vietnamese navy has been heavily equipped by the Soviets.12 The Soviets had also regular naval exercises with Vietnam in the South China Sea near the Spratlys.

However, the Soviets have so far kept a low profile in the dispute, even though it was hoped Soviet to come to aid to Vietnam in accordance with its friendship treaty with the latter. Reasons are obvious: to avoid a conflict with China created by its ally. In this respect Abdul Razak Abdullah Baginda, a Malaysian security analyst says: "the Soviet believe that by intervening, it could escalate the conflict further'.13 To be specific the Soviets themselves are on the verge to prepare for détente with the Chinese. In this circumstance, as Gerald Segal note:

"Moscow of course was unwilling to risk losing the bigger price of improved relations with China, for the sake of keeping Vietnam happy".14

Moreover, despite the growing Soviet presence in the region, the Soviets still could not match the US Seventh Fleet in terms of power projection capability. It was noted that during the late 1980's, the Soviet deployment at the Cam Ranh Base naval base included about 2,500 personnel, two-four submarines, three-four
principle surface combatants, amphibious and support vessels, and a composite air unit of maritime patrol, anti-submarine and air defence aircraft. Even though the Soviets clearly would like to avoid any confrontation with China in the dispute, it would not tolerate China’s behaviour if its substantial interest are at stake: for example, a Chinese attack on Cam Ranh or a blockade of the Soviet Sea Lanes of Communication (SLOC).

Nevertheless, the special relationship between the Soviet and Vietnam collapsed with the visit made by Gorbachev in May 1989 to Beijing. In November 1989 Moscow informed Hanoi of its intention to remove most of its naval and air units from Cam Ranh Naval Base and to reduce future military assistance. A complete withdrawal of personnel was seen possible with the collapse and disintegration of the USSR in late 1991. However, this changed with the formulation of a new foreign policy in relations to the Asia Pacific region by Moscow around April-May 1992. Moscow maintained the presence of a signal intelligence facility (and probably also air and naval deployments) in Vietnam. As stated by Tim Huxley in 1992:

"While it was clear that Moscow was anxious not to become embroiled in the complex South China Sea dispute, Hanoi probably sees a continuing Russian presence as a marginally useful in the sense that it complicates the regional security equation from Beijing’s viewpoint."\(^1\)

It is in this light that Hanoi allowed a continued Russian military presence in return for the supply of arms and spare parts by its former ally. Given the fact that Moscow had minimal interest in the region, it had cut its personnel presence to be between 500-1000 left at Cam Ranh.

The reduction of the Soviet/Russian interest from the region had given the chance for China to concentrate on Spratlys. Added to this scenario is that Russia later on has been China’s major military supplier in the early 1990’s. Realising that China’s outdated military equipment need to be upgraded and Russia need quick money and cash, Moscow quickly announced of its willingness to sell military items to its former enemy. This chance, which the Chinese would not want to missed, had been used to acquire modern and sophisticated weapons from Russia.

CHINA

Among the major powers in the region, China is the only country which is directly involved in the dispute over the Spratlys. The islands, known as Nansha in Chinese, have long been regarded as its (inherent) southern frontier. Beijing’s claim is reportedly based on rights that dates back 2,100 years, and is said to be supported by many historical records, including maps, and evidence of early Chinese settlements.\(^6\) Furthermore, Chinese merchants, trading with Southeast Asia ports, have frequently
anchored on the islands. Apart from the historical fact, Tim Huxley stated that among the reasons behind China’s claim are:

"the desire to consolidate the borders of modern China by extending physical control over areas traditionally regarded as 'Chinese'; the need to secure important resources, potentially including oil and natural gas; and the importance of excluding hostile naval forces, especially those of Japan."

Thus, it is not surprising that China, from the very beginning of the 1950’s, has declared that all islands belong to China. However, it could not exert its influence with pressure on the other claimants primarily due to its lack of power to do so. Furthermore, the Chinese did not possess any forward base available for this purpose. The Chinese only have a coastal defense force which is not strong enough even to defend its territorial integrity. However, since 1977 China’s attitude began to change completely with the emergence of the notion of sea power in Chinese strategic thinking. This could be attributed to several reasons.

Firstly, China has 18,000 km coastline to defend. Since Beijing-Moscow relations became strained, it created a stimulus for China to become a sea-power, the strategic necessity to face the possibility of its adversary’s encirclement from the northern, eastern, and southern flank. Secondly, with the rapid growth of international trade between China and the rest of the world, China needs to protect its shipping lanes. Significantly, China’s foreign trade increased substantially from US$ 26.6 billion in 1978 to US$ 60.1 in 1986. Finally, through the Spratly islands dispute, China recognized the need to build-up a strong navy capable of supporting its foreign policy. Not surprisingly, as Chang Ya-chun put it, "the islands dispute is vital to gauge China’s ability to control the area and project its power capability as a regional power."

Due to modernization programme, China has the third largest navy in the world. It possess 115 submarines, five nuclear powered submarines and 110 non-nuclear of which 25 are deployed in the South Sea Fleet, and 53 major surface combatants, 19 destroyer, 34 frigates, of which one fourth is deployed in the South Sea Fleet. The Chinese navy also, on many occasions has visited Tsengmu Reef, the southern most part of the Spratlys. Clearly the purpose of the exercise is to strengthen the navy’s intermediate and long-range capability. China has also benefited from its quasi-ally, the US, in getting military assistance to upgrade its navy.

Significantly, as a response to the Soviet-Vietnamese naval exercise in 1984, the Chinese navy produced a show of force around Spratlys, deploying its surface combatants. This was later followed by the amphibious landing exercise, carrying 2,000 marine, which circumnavigated the Spratlys, demonstrating China’s ability to land on and occupy any islands in the Spratlys. The Chinese show of force could simply be designed to provoke Vietnam over the Spratlys issue.

As a relevant result, the strength which the Chinese possessed permitted
the attack launched by the Chinese navy on Vietnam’s possession of Spratlys in March 1988. China managed for the first time to occupy eight islands from Vietnam. It is noteworthy that while this action was taken, Vietnam was still condemned by the international community for its invasion on Cambodia, thus preventing China from being accused as an aggressor. The Spratlys action might have been used by the Chinese to gauge the extent of current Soviet regional support for Vietnam’s position on the islands. The action clearly indicates that China’s naval expansion has born fruit, and at the same time, fulfilled its ambition to be a great power and sea power in the region.

Furthermore, China also proclaimed Hainan Island as another administrative province in October 1987 and promoted it as a “Special Economic Zone” (SEZ). The Spratlys is include under Hainan administration.22 As a “Special Economic Zone”, it could mean that foreign investors would be allowed to invest in the area. Since the Spratlys was known to have rich marine and mineral resources, the ownership of the islands is vital for China to enhance its economy and also its modernisation programme.

Since the end of the Cold War, China has shown an aggressive attitude in its approach to the Spratlys issue. This could be attributed to several factors among others; the fact that for the first time China do not have a clear enemy with the demise of the Soviet power. This has enable China to project itself as the next superpower replacing the Soviet and Spratlys is important in its strategic calculation. Furthermore, China does not perceive the United States naval capability in the Asia-Pacific region as posing direct threat to its strategic interests in the South China Sea in the immediate and medium terms.

Related to its military modernization plan, China has sought to transform its navy into a true ‘blue water’ navy by the acquisition of logistic support vessels, global communications facilities, and amphibious landing capabilities. China is also in the process of acquiring Kilo class submarine from Russia and is still discussing to acquire a aircraft carrier from Ukraine which has yet to materialised.23

In February 1992, China’s National People’s Congress passed far-reaching legislation which, inter alia, converted the sea around the Paracels and Spratlys into territorial waters, and authorised the use of force to prevent encroachments in this coastal zone.24 As a result of this, the Chinese navy took control of Mischief Reef, a rock outcrop to the west of the Filipino island of Palawan: prompting vigorous protest from the Philippines government. Nevertheless, according to Robert S. Ross:

“Chinese naval equipment is technologically primitive. SU-27s do not enhance China’s ability to defend its claim in the southern reaches of the South China sea, even with refueling capability, and even a late model Ukrainian aircraft carrier would not significantly expand Chinese blue-water capability”.25
This fact in actual justifies that China is still far from achieving the great power status that it tries to show all this while with its aggressive approach lately. Nevertheless, Beijing believes that the United States, Russia, Japan and China will be the four most important players that will shape the strategic order in the Asia-Pacific region in future.

JAPAN

Japan’s interest in the region is to have free access to the sea lanes. Since its economy relies on the free passage, it is vulnerable to any dispute in the region. Choon-Ho Park noted that:

"Japan, the third largest economy without domestic supply of important mineral resources, relies on maritime commerce to import as much as 600 million tons of raw materials and to export 60 million tons of manufactured goods a year. With negligible domestic production of crude oil—barely 0.03% of its annual demand—Japan imports approximately 1,800 million barrels every year. Over 70% of it comes from the Middle East and other sources for which the South China Sea is the main shipping route. A break in the shuttle chain of some 200 tankers en route would mean a fatal clot on Japan’s ‘lifeblood’. The oil embargo of 1973-1974 was an eloquent testimony of Japan’s vulnerability to disruption in its oil lifeline."

Japan’s interests towards Spratlys can be traced since 1918 and 1921 when a Japanese mining company began exploring the then uninhabited Spratlys for mineral resources before temporarily occupying a few islets and excavating guano for fertilizer. In February 1939, Japan had captured the Hainan Island before occupying Paracel Island followed by the Spratlys. Before that, the whole islands was occupied by France since 1933. The Japanese Army later had turned Itu Aba into a submarine base and later incorporated the islands into Taiwan under the name of Shinnan Gunto (The New Archipelago). It was evident that the Japanese had used the islands to launch attacks on Indochina, Dutch East Indies, and Malaya during the Pacific War campaign. The islands were also used to crippled Allied shipping during the war. Japan’s defeat in the war and the 1952 San Francisco Treaty forced Japan to surrender all its right to the Spratlys.

Since the Japanese themselves are well aware of the strategic importance of the islands, they of course fear the possibility of any nation holding exclusively the islands and passageways. In these circumstances during the late 1970’s, what was really worrying Japan was the presence of the Soviets in the South China Sea. The Soviet presence in the South China Sea was perceived as a threat to Japan. Knowing the possibility of this scenario, in 1981, Japan at the request of the US,
promoted the idea of Sea Lanes of Communication (SLOC) defence. The concept of SLOC defence means that Japan's defence is not only responsible for the whole Japanese islands but also the protection of the passageways. Nevertheless, as long as the dispute did not affect the passageways, the Japanese seemed not to interfere in the dispute.

Apart from the security concerns, Japan also have economic interests over Spratlys. Japanese companies and oil corporation have already sought agreements with Vietnam to exploit fish and natural resources in certain areas of the sea, and Mitsubishi Oil Company has discovered a large gas field located about 120 km from Vietnam’s southern coast. Even before, it was noted that Japanese companies have benefited from the oil exploration in the East China Sea granted by China as a result of the Sino-Japanese Friendship Treaty.28 Clearly, the Japanese are looking forward to extracting oil and gas from South China Sea if it is commercially viable. Furthermore, this would diversify Japan’s sources for oil and gas which has been totally relying on its traditional supplier, the Middle East

Nevertheless, Lam Peng Er noted that “Tokyo sees the Spratlys issue in the wider context of a more assertive and powerful China”.29 Er added that “no regional issues such as stability in the Korean Peninsula, Chinese nuclear tests, tension in the Taiwan Strait, the viability of a Southeast Asia Nuclear Weapons-Free Zone, and efficacy of multilateral organizations to manage problems including conflict in the South China Sea can be addressed without China’s co-operation.”30 Many circles in Tokyo saw China having the potential to act aggressively towards its neighbour once it achieved as an economic powerhouse.

Thus, to Tokyo, the Spratlys dispute is important in Sino-Japan relations. Indeed when China announced its Territorial Waters Law in February 1992 that incorporated the Spratlys, Senkaku, and other disputed islands, Japan protested strongly against the inclusion of Senkaku. Hence, in this sense, Japan’s sensitivity towards the Spratlys has direct implication with its dispute with China on Senkaku.

Interestingly, in February 1995, Kono Yohei, Japanese Foreign Minister during a Diet interpellation had maintained Japan’s position with regards to the Spratlys.31 He pointed out that the importance of the South China Sea to Japan as the link between the Indian Ocean and Northeast Asia. It is clear that as long as China or other potential power did not interdict the sea-lanes, it would not worry Tokyo.

**CONCLUSION**

The Spratlys dispute can be characterised as a Sino-Soviet rivalry in the region during the Cold War period. With the end of the Cold War in 1990’s, the possibility of a conflict over the Spratlys is unlikely. However, the possibility of a conflict can not be totally ruled out. Except for Russia, the major powers continue to place their interests on the Spratlys. The United States would clearly stay out from getting involved in a conflict as long as no power blocks the passageway. Even though ASEAN states, that are involved in the disputes would resort to the United States
help, the possibility for them to intervene is small.

Japan, like the United States, would not interfere in the region as long as the passageway is safe. However, Japan would closely watched Beijing's move in Spratlys since Tokyo is also involved in a dispute with China over Sensaku Island. It is China that many fears would act in aggressive manner to gain the whole of the Spratlys from the other claimants. China's adventure in the Mischief Reef in 1995 is a case in point. Clearly, Beijing is using the Spratlys for its power projection in the region. Nevertheless, the United States presence in the region would somehow change the situation by checking China's attitude from time to time. The fact that the United States could police China has been a major reason for Beijing to act carefully and has shown its willingness to resolve the issue peacefully lately.

END NOTE


2 Ibid.


9 Lecture given by Sheldon W. Simon during his visit to University Malaysia Sabah, Sabah, Malaysia on 19 June 1998.


14 Gerald Segal.
19 Ibid.
21 Ibid.
27 Ibid.
28 Ibid.
29 Ibid.
30 Ibid.