

## **China, Asean must boost trust**

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Tensions over the South China Sea seem to be on the rise. Analysts lament that once again the Declaration on the Conduct of Parties in the South China Sea (DOC) signed by China and Asean in 2003 has not been effective.

Over the years, China has repeatedly criticised Vietnam, the Philippines and Malaysia for exploring energy resources in the disputed waters and taking actions to strengthen their hold of the disputed areas. Some Asean countries regard the rapid development of China's naval power as a concern. They also worry that China might alter its current self-restraint in the South China Sea dispute.

Hailed by some as a significant breakthrough, the DOC was indeed a positive step. But few realised at the time there would be many factors that would render the document not as effective as they had expected.

First, the DOC failed to overcome the mutual distrust among the signatory states. Beijing indicated that its strategic priority was to pursue economic modernisation and improve its people's welfare. To facilitate the realisation of these goals, China made a commitment to Asean by signing the DOC. However, many Asean states have not been persuaded that China intends to solve the South China Sea dispute through peaceful means.

Another shortcoming of the DOC is that there is no penalty for non-compliance. On paper, the DOC encourages cooperation among the disputant countries. But because there are so many uncertainties in the dispute, cooperation is difficult and non-compliance more likely. If any of the claimant countries does not observe the DOC and there is no punishment, other disputant countries will have an incentive to follow suit in breaching the agreement.

Furthermore, the implementation of 'joint development' is very difficult. It took much effort for the Chinese to get the Philippines and then Vietnam to participate in the joint scientific seismic study of the disputed waters in the South China Sea in 2005.

Unfortunately, the Philippines has refused to continue with the project this year due to domestic opposition and pressure from the United States. An opportunity has been lost to turn the South China Sea into a 'sea of peace' or a 'sea of friendship'.

The DOC has unfortunately also generated misunderstandings among some external powers such as the US, Japan, India and Australia. These countries regarded the DOC as a sign of China's increasing clout in South-east Asia. Some believe that if China were able to keep its backyard relatively stable via the DOC, it can then allocate more resources to expand its influence elsewhere, such as in North-east Asia and South Asia.

For instance, India has decried China's growing influence in the Indian Ocean and its warm ties with Myanmar. Japan is worried that China might prioritise its maritime interests in the East China Sea. And the US has been suspicious of China projecting its maritime power into the Pacific. Some strategists believe that a certain amount of tension in the South China Sea would keep China tethered to this body of water.

In some respects, the DOC might be said to be flawed precisely because the US has nothing to do with it. The South China Sea issue is a trilateral one involving South-east Asia, China and the US. It would be hard for Asean and China to reach a comprehensive cooperation scheme in the area without US involvement.

This is so because Washington regards any regional multilateral arrangement in East Asia as a big challenge to and concern for America's core security interest in the West Pacific. This is evident in the case of the Malacca Strait where the US has always attempted to be involved.

But it would be hard to establish a coordinating mechanism in the South China Sea involving China, Asean and the US. The difficulty China and the US have had in establishing a bilateral consultative mechanism after the Hainan EP-3 incident in April 2001 or the Impeccable incident this year is evidence. A trilateral mechanism would be even more difficult.

One possible solution would be to upgrade the DOC into a formal Code of Conduct (COC), as some have suggested. However, it is hard to imagine a COC in the foreseeable future.

A more realistic option would be to make the DOC more effective in restraining actions that disrupt the status quo in the South China Sea. To achieve this objective, China and the relevant Asean countries will need to further strengthen their trust in one another. Since there is no legal penalty for actions that breach the DOC, the various parties should exert a heavier moral pressure on one another. And external powers should not regard efforts at stabilising the South China Sea as China's gain and a challenge to their security interests in the region.

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