The South China Sea has traditionally been an area where the key strategic interests of the most influential Asia-Pacific powers are focused and intertwined. Currently, the scenario that the issue will rise in the priorities of these powers and acquire a global dimension looks highly probable.

Along with these developments, regional multilateral dialogue platforms – the way they have been tackling the issue – will hardly be able to produce an appropriate response to these changes. Current trends suggest that multilateral diplomacy is likely to use conservative approaches while in the post-2002 period efforts should be aimed at not changing the parameters of conflict resolution but rather at creating a regional milieu conductive to keeping actual and potential contradictions in a non-explosive state.

With this in view, complementary means moving beyond the previous patterns to influence upon the issue need exploring. One of these is a potential contribution which can be made by the Russian Federation.

The paper consists of three parts. Part One assesses the role of South China Sea issue in the evolving Asia-Pacific geopolitical order. Part Two offers critical insights into the nature of recent efforts taken by ASEAN and the ASEAN Regional Forum. In Part Three, Russia’s policy options towards the issue are under consideration. The conclusion summarizes the foregoing analysis.
The South China Sea in Asia-Pacific Geopolitics

The Declaration on the Conduct of Parties in the South China Sea (DOC) signed in 2002 – with all its shortcomings – laid down the legal parameters of conflict resolution in relations between the parties involved in the dispute. Later on, however, the issue acquired a qualitatively new dimension as its core has shifted from the problem of sovereignty over the islands to geopolitical rivalry between the United States and China.

The first manifestation of this trend was provided by the incident with the American ship the Impeccable in early 2009. It raised a sensitive problem – whether the US military activities in the South China Sea, no matter declared or presumable, would be tolerated by China. Although the conflict didn’t have significant repercussions for US – China relations, prospects for new clashes of their interests in this maritime area were evident.

These expectations were reinforced in early 2010, when the US’ top military figures expressed apprehensions that American interests in the South China Sea might be threatened by China. Among the reasons, two were given an emphasis. First, China’s naval modernization was developing more rapidly than Washington had originally expected. Second, a huge rise of China’s nationalistic sentiments would result in Beijing’s more assertive maritime policy.

To China’s credit, it originally tended to avoid getting into the scramble. The maximum of what it did was the statement that the South China Sea falls within its “core interests”. This doesn’t seem to have carried a provocative message – Beijing just reiterated what had been outlined in the Law of Territorial Sea and the Contiguous Zone 1992. Consequently, the argument that Beijing turned to a more hard-line stance is hardly convincing. In this light, the great amount of criticism voiced by the United States is a definite indication of the immense importance attached to this area by Washington.
Under these circumstances, the issue was bound to come to the forefront of Asia-Pacific geopolitics. This happened at the at the Hanoi session of the ASEAN Regional Forum in summer 2010. Speaking there, the American Secretary of State touched upon a number of points each of which deserves special attention.

First, moving to Code on Conduct of Parties in the South China Sea (COC) was proposed. Although DOC outlines this possibility, in practical terms it was too faint to be taken seriously. Second, Mrs. H.Clinton stressed the US' readiness to act as an intermediary between the parties involved in the dispute. Third, a necessity to differentiate the legitimacy of claims to the islands the South China Sea and its waters was emphasized. At the next ARF Summit in Bali, many of these points were reiterated.

As a result, the US has become a de-facto player in the South China Sea game. In the near future, its increased influence upon the situation in this maritime area is very likely. The reasons are threefold.

First, the Obama administration will have to provide continuity between its current and previous Asia-Pacific policy statements, namely, “being back” and “strengthening American leadership”. Presumably, several priorities will motivate Washington. One of them is to correct the impression that the U.S. is losing influence upon Southeast Asia or even “conceding” it to China. Another task is to provide the US' Northeast Asian allies with strong guarantees that American role in setting out the rules of the game in maritime Asia-Pacific will remain unchanged.

Second, maintaining freedom of navigation has recently been raised to a higher level in Washington's strategic thinking. Exerting influence on the situation in the South China Sea, which links the Pacific Ocean with the Indian Ocean, as well as Northeast Asia with Southeast Asia, is part of this strategy.

Last but not least, Washington will have to allay fears of American corporations that drill for oil and gas in the South China Sea. The reason stems from precedents, still fresh in the memories of energy business elites, when the plans to explore the resources in some parts of the South China Sea were abandoned due to the disputed status of these areas, as well as frictions between China and leading multinational oil companies over the already operational projects in
contested zones [viii]. In periods of overall instability, these apprehensions may rekindle.

(continuing)

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Among the American political and expert community, these apprehensions are remarkably widespread. See, for instance: Brown P.J. US Ponders China's Southeast Asian Rise. Asia Times Online. March 10, 2010. // http://www.atimes.com/atimes/Southeast_Area/LC10Ae01.html
