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THE SPRATLY ISLAND DISPUTE:
A CASE FOR A NEW U.S. SOUTHEAST ASIA SECURITY STRATEGY

BY

LIEUTENANT COLONEL STEPHEN P. HAM, JR.
United States Army

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By

Lieutenant Colonel Stephen P. Ham Jr.
United States Army

Col. (Ret.) Donald W. Boose Jr
Project Advisor

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U.S. Army War College
Carlisle Barracks, Pennsylvania 17013

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ABSTRACT

AUTHOR: STEPHEN P. HAM JR. (LTC), USA

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For the past forty years, U.S. security strategy in the East Asia-Pacific region has remained relatively unchanged, relying primarily on bilateral alliances to keep peace and security. Triggered by the Fall of the Wall, and growing political and economic realities at home, the Clinton administration unveiled a new East-Asia policy of "comprehensive engagement" designed to meet the challenges of a new world order in the Pacific. Yet, the Spratly Archipelago, in the vicinity of the South China Sea, plagued by age old territorial disputes, the hegemonic rise of China, and a diminished U.S. presence now threatens regional stability, calling into question the United States' new policy. This paper examines current U.S. policy, in light of on going tensions in the Spratly Islands and the South China Sea, by examining the risks to our vital interests in the region and recommending policy alternatives.
Introduction

The Spratlys are a collection of islands which represents a nexus in the maritime interest of the South China Sea Littoral states, and are symptomatic of a much more complex range of maritime problems facing Asia, and Southeast Asia in particular. The diplomatic resolution of the dispute raised by these problems is important to the continuing stability of the region.¹

On 8 February 1995 the Peoples Republic of China's Navy (PLAN) triumphantly raised their nations' flag over an obscure reef in the Spratly Archipelago of the South China Sea formerly claimed by the Philippine government. Most Americans paid no attention to this act of territorial piracy. Headlines and OP/ED columns that day, both in the Washington Post and the New York Times, spoke only of Welfare reform and the O.J. Simpson trial. Yet to the citizens of Southeast Asia and China watchers, a warning klaxon had sounded that was only faintly heard, if at all, in Washington D.C. Had Congress and the White House been listening, they should have heard a flawed national security policy cracking under the weight of territorial disputes, regional hegemony, arms races, and weak alliances all in a region of the world Secretary of State Warren Christopher paradoxically has described as "remarkably free of conflict."²

For the past 40 years U.S. national security strategy in the East Asia-Pacific region relied on a patchwork quilt of bilateral and, to a lesser extent, multilateral alliances constructed in a bipolar world designed for containment. As the Clinton administration implements its new East Asian-Pacific security strategy, the old cold war paradigms still appear to dominate Washington's thinking. The new policy speaks
of "comprehensive engagement," yet still myopically focuses on Northeast Asia and Japan while relying, to a greater extent, on what President Clinton spoke of as "overlapping plates of armor"[^3] to provide security in Southeast Asia. In the eyes of some Asia experts, little has changed; they see the Clinton policy as nothing more than "deterrence by ambiguity". Others in the region view the strategy as a thinly veiled policy shift aimed at containing China's hegemonic tendencies; some Southeast Asian nation-states see U.S. policy signaling total retreat from the region. Regardless of the intent of current United States policy for the region, the fact remains that the troubles in the South China Sea are real. They can affect vital U.S. interests. The time has come to carefully review our national security policy for Asia. We need some new solutions.

**A New Strategy for a New Era?**

Always remember danger when you are secure and remember chaos in times of order, Watch out for danger and chaos while they are still formless and prevent them before they happen.  

---Sun Tzu[^4]

Last February, the Department of Defense released a series of reports on U.S. regional security strategies destined to take into account changes in the post cold war national security environment. To assure the Asia-Pacific community that America's preoccupation with Europe was changing, the Clinton Administration symbolically released the Asian-Pacific report first. It got mixed reviews.
Authored by Joseph Nye, Assistant Secretary of Defense for International Security Affairs, the 32 page report, whose foundation relied heavily upon the previously published 1994 United States National Security Strategy emphasizing continued engagement⁶, broke the "new" vision into three distinct parts. First, the U.S. must continue to reinforce its [old cold war] alliances, which Nye states are the centerpiece of the strategy. In fact, the U.S. is counting on its five pre-existing bilateral mutual defense treaties with Japan, Korea, the Philippines, Thailand, and Australia to "deal with a foe called uncertainty."

The Strategy's second component calls for maintaining a credible forward military presence postured against North Korea, the "clear and present danger" to regional stability. Citing the North's 1.1 million men under arms and its potential nuclear weapons capability, the strategy clearly makes the case that the center of gravity for U.S. national security interests lies squarely in the Northeast Asia-Pacific region. Further, Secretary Nye contends that this forward presence serves the four key U.S. national policy objectives for the Asia-Pacific region that have remained remarkably consistent for the past two centuries: peace and security, commercial access to the region, freedom of navigation, and the prevention of the rise of a hegemonic power or coalition.⁶

The last component of the engagement strategy calls for establishing what Nye refers to as "regional institutions." In his July 1994 speech in Seoul, President Clinton metaphorically cited "overlapping plates of armor" for regional security.⁷ There were two apparent reasons for this renewed "interest in a multilateral approach to regional
security." First, the U.S. vacated its bases in the Philippines, creating a perceived "power vacuum" and uncertainty within the region—especially Southeast Asia and the South China Sea. This uncertainty was further fueled by isolationist rhetoric at home — exemplified by the Republican Congressional Contract with America— and the Department of Defense Bottom-Up-Review (BUR) that capped troop strengths in the region at 100,000, thereby reducing our troops in the region by 78,000. Secondly, the State Department sensed a spirit of economic cooperation, a shared interest in preserving peace, that reinforced the administration's rosy outlook for mutual cooperation among the nations in Southeast Asia. These multilateral "institutions" were perceived as reinforcing the existing U.S. alliances, giving us a "confidence-building measure for the region." These regional forums were also perceived as providing nation-states a means to collectively discuss economic and security issues. The two organizations that the Clinton administration saw performing these multilateral duties were the Association of Southeast Asian Nations (ASEAN) and the ASEAN Regional Forum (ARF). Mr. Nye emphasized that these multilateral institutions where intended to reinforce American leadership in the Asia-Pacific not replace it. These were the President's "overlapping plates of Armor."

The U.S. national security strategy for East Asia-Pacific policy leaves little doubt that the United States will remain active in this vital region. Yet has U.S. policy really changed? Chalmers Johnson, President of the Japan Policy Research Institute, thinks not; asserting that the Administration's new strategy declares in effect "that nothing essential has changed in East Asia" and that "U.S. policy should be to freeze
relations in the Pacific indefinitely. Further, he contends that the engagement strategy is designed to buy only short-term cooperation with East Asian States. He believes the region is preparing "for the day when the United States can no longer support—financially, politically, or both—its flawed regional vision," thereby leaving a power vacuum.

In view of these developments and criticisms, it should come as no surprise that ASEAN countries find little solace in our policies. Further, it is apparent that Secretary Nye's strategy of "comprehensive engagement", may, in part, be responsible for perpetuating lack-of-confidence problems in the region by inadvertently creating the conditions for the disturbing events occurring in the South China Sea. Can this current policy adequately address regional problems? Or will our policy continue to allow the problems to fester into what a few regional experts believe may be the next major regional conflict (MRC) for the U.S.? A look into Spratly Islands dispute, and the resulting regional entanglements from the perspective of its claimants is very revealing.
The Spratly Dispute: Claims and Regional Implications

The next flash point in Southeast Asia might well involve those small islands strewn all over the South China Sea.¹¹

The Spratly Islands—also known as the Tempest, Storm, or Nansha Islands—make up the largest of four archipelagoes in the South China Sea. They are centrally located between the ASEAN countries of Vietnam, the Philippines and Malaysia (see figure 1). Stretching across over 600 miles and comprising more than 150,000 square miles, the archipelago is a collection of over 150 barren reefs, 13 sand bars, numerous atolls, and 16 islands— a few of which, at high tide, are below water!¹²

The human history of the Spratly island group can be traced back hundreds of years: they have been occupied intermittently by itinerant Vietnamese and Chinese fishermen. Japanese settlements also occupied a few of the

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Figure 1. From Adelphi Paper #298, Oct 95, pp. 4-5, Map 2- "Occupation of The Spratly Islands." Reproduced by permission of Oxford University Press.
islands in the early 1920's, where the settlers exported phosphate, bananas, coconuts, and fish to Japan. Japanese forces occupied the archipelago from 1939 through 1945. Following its defeat in World War II, Japan relinquished all rights and claims to the region. Without much thought for official claims and rights to the archipelago, General MacArthur directed that all Japanese occupied islands north of latitude 16 degrees surrender to the republic of China. The World Peace Conference held in San Francisco after WWII further muddied claims and titles to the area, creating ownership problems to this day.

There is no doubt that the sea lanes traversing the Spratlys are vital to U.S. interests. For example, the sea lines of communications (SLOC) between Singapore and Hong Kong handle over a quarter of the world's maritime trade, including 70% of Japan's oil trade. Thus, there is consensus in the region that the "most intractable regional conflict that has led to numerous confrontations during the past twenty years... [involves] the disposition of the Spratly Islands." Six countries (Vietnam, Taiwan, the Philippines, Malaysia, Brunei, and China) currently make some claim to sovereignty over all or parts of the Archipelago.

Hanoi's claim, based on "historical sovereignty and association" over the Truong Sa (Spratlys) archipelago, has been traced back to 1650-53 in a book the Vietnamese published in 1979, _The Vietnamese Sovereignty over the Hing Sa (Paracels) and the Truong Sa (Spratly) Archipelagos_. Responding to the 1975 Chinese capture of their long disputed Western Paracels the "newly installed Hanoi government" showed force to embarrass the PRC by occupying the North Danger
Cays and Union Bank islands of the Spratly chain. However, Vietnam lost some of these islands in a major defeat to the Chinese in March 1989.\textsuperscript{17}

Still a major player in the Spratlys, Vietnam today occupies or controls 24 islands and is seeking more. Further, in an effort to "assert its [legitimate] title to the Spratlys," it contracted with Malaysia for oil explorations and in mid 1992 it took outright control of an island northwest of the Malaysian state of Sabah." To further complicate matters, in December 1992 Hanoi contracted with a consortium of oil companies to develop the Dai Hung (big bear) oil field (see figure 2) adjacent to the Spratly archipelago. This action flew squarely in the face of Chinese claims, creating the potential for further problems in the South China seas.\textsuperscript{18}

The Taipei on Taiwan is one of three governments that claim the Spratly islands in their entirety—China, and Vietnam are the other two. Despite such far-reaching claims, Taiwan occupies only one island, Itu
Ada, the largest island in the archipelago. Just prior to the '89 Vietnam-China clash, Taiwan moved a full battalion to the island to strengthen its claims. Curiously, Taipei has sought to mediate the Sino-Vietnamese dispute about the Spratly Islands. The Nationalist Chinese view the claim to the Spratlys in the same historical perspective as does China. However, despite finding Itself China's "strange bedfellow," Taiwan has emphasized it "would defend its Spratly territory to the last man". To further complicate matters, Taiwan unilaterally increased its own exclusive economic zone (EEZ) to 212 nautical miles, bringing the Spratly Islands within the EEZ of Itu Aba and under Taiwanese sovereignty.19 The concept of EEZ was set forth during the 1982 Law of the Sea Convention (LOSC); this provision permits nation-states to establish legal areas that "comprise the seas and natural resources within 200 nautical miles of their coast line." Most countries have accepted many of LOSC provisions, including the concept of EEZ. But the U.S. and Australia have not accepted EEZ.20 EEZs have unfortunately brought on "Creeping Annexation," causing numerous overlapping claims in the Spratlys that seem to defy resolution. These claims are a continuing source of friction to claimants and a threat to regional stability.

The Ramos government of the Philippines claims eight islands in the Spratly chain. Interestingly enough, like the other claimants, the foundation for the claim was suspect from the beginning. It turns out that the Philippine's claim is based on an "accidental" discovery in March 1956 by Mr. Thomas Cloma of the Maritime Institute of the Philippines. He proclaimed that "he had discovered some unclaimed islands off the Philippines which he christened 'Freedomland'." This epiphany prompted
immediate rebukes from both Taiwan and China, each of whom claimed to be the island's rightful owners. In 1968, the Philippines first positioned forces on the island of Pagasa. Subsequently, it occupied a few smaller islands which were officially named Kalagan (Freedom Islands). Like Taiwan, after the Chinese clash with Vietnam, the Philippines began to reinforce its position, and warned the Chinese and Vietnamese not to interfere in Freedom Group.

Until 1993, the Philippines had a running dispute with Malaysia about fishing rights around the Commodore Reef resulting in sporadic but violent "naval skirmishes" with the Malaysian Navy. Subsequently, with the help of Indonesia, both governments pledged to solve the dispute peacefully, but the problems between the two countries persist.

In February 1995, the Philippines awoke to news that a Chinese Peoples Liberation Army force had occupied the Panganiban (Mischief) Reef. To their surprise, the Philippine navy also discovered that the Chinese had erected sophisticated military structures, complete with satellite dishes. Beijing quickly claimed the facilities were designed to protect Chinese fishermen from the unpredictable weather that plagues the region. Manila vehemently protested the Chinese occupation of its sovereign territory even sending armed forces to the area to arrest Chinese fisherman and remove navigational markers and occupation structures from neighboring reefs but despite its chest beating Manila has to date been reluctant to directly challenge Chinese military forces on the Mischief Reef itself. These events have heightened tensions and they have far-reaching security implications for the
U.S., whose 1951 bilateral defense treaty with the Philippines call into question U.S. true commitment to regional stability, including use of military power to protect the Islands.\textsuperscript{24}

Kuala Lumpur's involvement in the Spratlys can be traced to the 1979 publication of a geological map laying out revised claims to Malaysia's continental shelf and EEZ limits. In 1983, Malaysia became embroiled in the Spratly dispute by occupying Swallow Reef (Layang-Layang). Three years later, Malaysians boldly occupied two other islands in the vicinity of Swallow Reef in response to the presence of Chinese warships. Malaysia, unlike the other claimants, has attempted to "validate" her Spratly claims by "establishing tourist activities on the island. This is a disturbing trend: If "foreign tourists" are caught between military operations in the islands, other nations will inexorably be drawn into the dispute. Recently, Kuala Lumpur, in a major reversal of its defense priorities, moved to spend military hardware dollars for the "protection of its EEZ and territorial claims in the South China Sea" and away from a counterinsurgency "capability against communist guerrillas." As Allen Shephard, an Australian defense researcher, states, "these greater capabilities to guard EEZ's and non-metropolitan territories" increase the risk of future conflict occurring sooner, rather then later, in the South China Sea.\textsuperscript{25}

In 1954, by proclamation, Brunei claimed a depth of 595 feet thereby extending its maritime interest to the Louisa Reef. Not to be outdone by the other claimants' designs on the oil bearing region of the Spratlys, and empowered by the LOSC, Brunei, in 1984, declared an expansion of its EEZ to the 200 nautical miles limit.\textsuperscript{26} In
effect, Brunei had "quadrupled her maritime interest, taking her claims well out into the Spratly Island group."\textsuperscript{27} Brunei, like the other claimants, has increased its weapons acquisitions to defend her new-found 5700 square kilometers that now include five productive oil fields. Recognizing its vulnerability, Brunei has quickly entered into a close security agreement with Singapore, which is attempting to gain access for Brunei to the Five Power Defense Arrangement (FPDA) to strengthen Brunei's weak position in the region. As Allen Shephard concludes, in \textit{Maritime Tensions in the South China Sea}, without another power intervening, Brunei would not be able to defend its claims against the most powerful of the claimants, China.\textsuperscript{28}

Of the six claimants, China's claims over the Spratly Archipelago have the most serious implications for the region. These historically based claims, go back to the time when China wielded superpower like influence in the region. Since 200 B.C., China has claimed sovereignty over the entire South China Sea. (see Map 1) The entire extent of these claims to the entire area, above and below sea level, within the historic line or inside the line is not clear.\textsuperscript{29} Ambassador Hashim Djalal, the Indonesian Foreign Ministry's maritime law expert, raises questions: "China tells us they still adhere to the historic claims, but does that mean it is claiming the islands, or the sea beds or water? They can never give us a straight answer!"\textsuperscript{30} Some observers believe that China understands that its claims would be hard to defend, but the Spratlys are an emotional issue in China. As one China observer states:

it is embedded in the Chinese national psyche that the Spratly archipelago has been part of the motherland's territory since ancient times, and the Chinese do not see themselves joining the claim to the Spratlys.\textsuperscript{31}
In their eyes the nature of the dispute is crystal clear: ASEAN countries have taken advantage of China's past turbulent domestic policies and its preoccupation with superpower threats by occupying China's islands and reefs, carving up its sea area and looting its marine resources. Backed by claims dating to the Ming Dynasty, China sees itself as the "victim of regional countries and encroachment." With U.S. influence on the wane during the early seventies, it was inevitable that Beijing was ready to settle some scores and reclaim what it viewed as its rightful territory.\(^{32}\)

In 1974 the Chinese Dragon began to stir in the South China Sea when the PRC conducted a surprise air and sea operation against a South Vietnamese garrison on Paracel Island, sinking a patrol boat and capturing 48 South Vietnamese soldiers and their American advisor.\(^{33}\) Interestingly, the "Mao-Nixon honeymoon" of 1972 was still strong, so the U.S. State Department observed a policy of non-interference in the territorial dispute, a policy position that has not changed much in 22 years.

To China's chagrin, after the fall of Saigon in April 1975, the Ho Chi Minh government challenged Beijing by taking control of the six more Spratly Islands, prompting China to reprint maps showing "the whole of South China Sea as Chinese territory".\(^{34}\) Unable to project forces into the area, all China could do was to issue a strong protest. However, This confrontation marked the official beginning of China's conflict with its neighbors over the islands concerns about regional instability began to focus on the Spratlys and Paracels.

For close to fourteen years, as the other five claimants solidified their individual claims in the Spratlys, Beijing stood silent. Learning from the past, China focused on
building force projection capabilities. Beginning with naval maneuvers in 1986 and culminating in 1988, Beijing occupied its first Spratly Island, Fiery Cross. Its forces then clashed with the Vietnamese at Gac Ma Reef (Johnson Reef). By the end of April 1988, after the smoke had settled, the Chinese had captured and occupied six islands in the Spratlys: Sub Reef, Catharine Reef, Nan Xun Tial Prince of Wales Bank, Lansdown Reef, and Kennan Island.\textsuperscript{35} The action at Johnston island had sent a strong warning to all claimants in the region that they could be next. However, on 13 August 1990, in an apparent attempt to offer an olive branch to the other claimants, Chinese Premier Li Peng announced in Singapore "that China was prepared to put aside the question of sovereignty and jointly develop the Spratly area."\textsuperscript{36} In November 1991, at an Indonesia sponsored meeting, China again agreed to set aside the sovereignty issue allowing for the "combined exploration of the natural resources under the islands".\textsuperscript{37}

Then the Chinese, in a direct turn around, began an intense effort to build their Blue Water capabilities by acquiring aerial refueling technologies, buying three Kilo class Russian submarines and approaching the Ukraine on the purchase of an aircraft carrier. In February 1992, in an apparent attempt to strengthen Chinese claims, the National People's Congress adopted a law declaring exclusive rights over the entire Spratly archipelago and authorizing the Chinese Navy to evict trespassers by force.\textsuperscript{38} China then gave the U.S. firm Crestone an oil concession on the Vanguard Bank, also claimed by Vietnam, pledging to protect the company by force if need be.\textsuperscript{39} The final straw for both the claimants and ASEAN came in June 1992 during the ill fated 3rd
Indonesian-sponsored Spratly Island Workshops, during which China sent troops to the Vietnamese claimed Da Lac Reef. This caused ASEAN foreign ministers to issue their first ever formal declaration addressing the dispute and regional security, the *ASEAN Declaration on the South China Sea*. In essence, the Communique called on all claimants to settle their disputes peacefully while urging regional cooperation in safety of navigation and communications, pollution prevention, search and rescue, and combating piracy and drug smuggling.\textsuperscript{40} China's response to this ASEAN proclamation was as quick as it was provocative. The PLAN sent three Romeo-class submarines from its northern fleet to the South China Sea to patrol the disputed areas, a clear signal that China was refusing to "soften its exclusive claims to the area and to recognize the legitimacy of others."\textsuperscript{41}

China's aggression has prompted several explanations. Some experts believe China's motive is oil-driven, especially now that China has turned from a net exporter to net importer for the first time since the 1970's. Based on some estimates "PRC's demand for liquefied natural gas (LNG) is expected to rise by 72% over the next five years to 18.13 million metric tons per year."\textsuperscript{42} Others theorize that China wants to create what is calls *Shengcun Kongjian*, or survival space.\textsuperscript{43} They theorize that China fears breaking apart and feels driven to "consolidate its borders"by reclaiming what once rightfully belonged to China in order to "regain its ancient role as the dominant power in Asia."\textsuperscript{44} A more plausible theory sees China's belligerent actions as a "result of a rising tide of nationalism."\textsuperscript{45} One Western diplomat was overheard remarking "there's a righteous pride in China's progress" and that the Chinese "feel that they are
taking their rightful place that they have been denied for so many years." Passage of the 1992 law governing its territorial waters and the South China Sea, Chinese moves to build a blue water navy to dominate the SCS physically, and its seizing of territories all give further credence to the nationalism theory.

Kenneth Lieberthal, claims in "A New China Strategy" that the Clinton administration has misread the tea leaves. He asserts that China's new found nationalism has resulted in China seeking from the U.S. a "realpolitik" approach to supplant its current "comprehensive engagement" policy. Along with others in the region (including China), Lieberthal believes America wants to isolate China through a series of bilateral security arrangements, through warming relations with Vietnam, through promoting military modernization within ASEAN --F-16s to the Philippines are the latest example--and through underwriting regional security forums such as ARF--which China views as a NATO like organization designed to contain its influence.47

Clearly China's aggressive moves, be they economic or nationalistic, have rattled the ASEAN nations and given the U.S. cause for concern. China's actions have also called into question the non-committal U.S. National Military Strategy toward the Spratly Islands. As Chong-Pin Lin, an expert in Chinese military affairs with the American Enterprise Institute in Washington D.C., puts it, "the U.S. Security Strategy for the East Asia-Pacific region is an example of 'deterrence by ambiguity'."
U.S. Policy and Regional Concerns

Security is like oxygen: you do not tend to notice it until you begin to lose it.

Joseph Nye

U.S. policy has, in reality, been more a "hands off" disengagement policy towards the Spratly Island dispute than engagement relying instead on ASEAN's ability to solve their own problems, collectively. In fact, some have sarcastically called the U.S. Spratly strategy a "yellow canary in the mine," an obvious counter reference to secretary Nyes' East-Asia "oxygen theory" that contends 20 years of American security (oxygen) has made unparalleled economic growth in South East Asia possible. The "yellow canary" strategy infers that the U.S. will only act or intervene should the Spratly Islands [canary] directly affect its vital interests. The East Asian-Pacific Security Strategy acknowledges the South China Sea as a "source of tension" and even cites possible consequences for regional stability. Yet the policy only went as far as urging the peaceful settlement of the SCS problem opposing nations which used either threats or force to settle their claims. Finally, it weakly concludes that the "United States takes no position on the legal merits of competing claims." From all appearances the U.S. is only willing to speak of a peaceful resolution to the Spratly dispute but is reluctant to directly mediate a peaceful solution to the problem. This policy was echoed by Secretary of State Christopher in an address to the National Press Club:
We have consistently urged claimants to the resources of the Spratly Islands to solve their differences through dialogue, not military confrontation.\textsuperscript{51} The Secretary of State also underscored the fact that the U.S. is relying on ASEAN and ARF to develop "ad hoc multilateral approaches to regional security."\textsuperscript{52} Finally, President Clinton, in a speech to the South Korean National Assembly signaled that the time had come for the region to deal with their own security problems proposing the creation of a "new Pacific community built on shared strength, shared prosperity, and a shared commitment to democratic values."\textsuperscript{53} Southeast Asian countries understood that a subtle shift in policy had occurred. As Allan Shephard, an Australian defense regional expert on the South China Seas observed, Clinton had reduced the U.S. role in the region to that of an "actor" on "equal footing" with other Asian states thus making it clear that solutions to the problems in the South China Sea would not come from the United States but from regional forms such as ASEAN and ARF.\textsuperscript{54} The Clinton administration's reliance on multilateral solutions to cure regional issues, without direct U.S. involvement—until it is too late and the "canary" has died—is the real problem. Further, this myopic approach appears to have little regard for the dynamic pressures acting both internally and externally on ASEAN to solve the Spratlys on their own. Internally, ASEAN and ARF must deal with continuing strife competing economic interests, historical suspicions, and a growing arms race. Externally, they must also contend with China's aggressive nationalistic tendencies and stated designs of hegemonic domination over the South China Seas. Added up, these internal and external forces on ASEAN and the ARF may be a bridge too far.
pointing to unrealistic expectations and a potentially flawed Spratly policy.

As Hans H. Indorf properly observed in *Impediments To Regionalism in Southeast Asia*, the problem transcends our [U.S.] wants and needs; it demands our attention. He contends that while ASEAN has the ability to facilitate co-operation among nation, the coalition is not capable of solving territorial issues. He cites two irresistible forces: nationalism and sovereignty. Finally, he contends:

The territorial imperative is still the greatest disruptive element in Southeast Asia today. Despite the existing harmony in ASEAN relationships, the thrust of national boundary claims and counter claims has no way been ameliorated. The reason is that territorial rights are the very essence of statehood... Organizations such as ASEAN reinforce the concept and fossilize its prerequisites.55

Thus internal disputes like the Spratlys that go directly to the heart of national interests make solving the dispute by ASEAN alone, without direct involvement from the U.S., that much harder.

Externally, the ASEAN must somehow not only effectively deal directly with Chinese hegemonic expansion, it must also shake perceptions that the U.S. is using it to "play power politics" in the region. To date, that has been problematic for ASEAN and ARF. A Washington analysis, speaking of the Mischief Reef incident, stated that Washington had been lulled into believing ASEAN could solve the Spratly's diplomatically, citing the conventional wisdom "that the Chinese would leave ASEAN countries alone and focus on Vietnam".56 The truth is that the ARF, whose membership recently climbed to nineteen, with the inclusion of Cambodia, has been reluctant to stick its collective neck out and face China's aggression head-on, for fear
of provoking her. Even neutral, non-claimant, ASEAN countries such as Indonesia, whom the U.S. had encouraged to solve the dispute through a series of Spratly Island workshops, have been victimized by Beijing's bullying. For example, along with the entire South China Sea, the Chinese 1992 claim also snagged the Natuna gas field, one of the world's largest with an estimated 45 trillion cubic feet, laying 120 miles northeast of the Natuna Islands (see figure 1) and well within Indonesia's exclusive economic zone (EEZ). This fact was arrogantly pressed by the Chinese during the ASEAN/ARF sponsored work shops, in Surabaya Indonesia, making evident they [Indonesia] "weren't neutral in the dispute after all." 57 Finally, the Chinese government regards the United States as the single driving force behind the ASEAN Regional Forum (ARF) attempting to dictate the forum's agenda and pursuing its own brand of power politics which Colonel Guangqian, a senior researcher at PRC's First Institute of Strategic Studies, will be opposed by Beijing. 58

all kinds of power politics—whether from some internal power of the region or from some external power of the region—should be challenged. Power politics in any form emerging in South East Asia is not only a disaster for regional peace and development, but also represents a serious threat to neighboring countries, the neighboring region, and international peace development. 59

The dilemma finds ASEAN suspended betwixt and between an ambivalent West [U.S.] wanting a multilateral solution to the problem and a suspicious China with whom they must live.

Clearly, a case can be made that says the ASEAN's ability to solve its problems in the South China Sea is directly linked to a hands-on U.S. policy; one that is sensitive to both on going regional dynamics and post cold realities. Unfortunately,
President Clinton's current policy does neither, calling for new ideas to deal with a seemingly enigmatic problem.

A New Spratly Strategy

There are only two types of problems: the ones that solve themselves and ones that are unsolvable. Sir Winston Churchill

It is apparent that the current "one size fits all" Strategy of engagement as it applies to the disputed South China Seas is not working as advertised. Despite good intentions, it seems the Nye doctrine is failing to build the kind of regional stability it so optimistically looked to achieve. One needs only to point to: deepening vs settled disputes in the Spratlys, growing vs checked Chinese Hegemony in the South China Sea, marginally effective vs effective multilateral security arrangements, such as ARF, and an overall sense in the region that the era of Pax Americana has been replaced by one of Pax Sinica.60

A few viable policy alternatives have been offered by regional experts to address these issues. For example, Rear Admiral Lloyd R. Vasey (ret), an analyst for the Pacific Forum suggests revamping the U.S. policy of relying on ASEAN when America's vital interests are involved by becoming an honest broker to resolve and defuse what he believes is the next international flash point.61 Some Asia insiders
believe that instead of pulling back from Southeast Asia, the U.S. should consider repositioning its forwarded deployed forces into countries such as Malaysia, Brunei, or even Vietnam--this notion is gaining credibility as the sector of potential lost American bases in Okinawa and elsewhere looms larger--now that diplomatic channels are open and the Russians have cleared out of Cam Ranh Bay. These two strategy shifts--active diplomatic involvement and increased force presence--would serve to reinforce regional stability and satisfy current U.S. security objectives in the region. That brings us to the question of China. How then should the U.S. deal with Beijing's nationalistic and growing Hegemony in the region and what about the deep rooted territorial problems endemic to the Spratlys themselves?

Charles Krauthammer, a frequent commentator on international security issues for *Time* magazine, suggests the key to the Spratly Island Dispute is in changing our policy from principled engagement to the outright containment of China. 62 Others like Scott Kennedy and Michael O'Hanlon, both of the Brookings Institution Foreign Policy Studies Program, believe instead U.S. China strategy in Southeast Asia should target China's assertive nationalistic behavior by reducing its own perception of "veiled containment". They suggest this be done through policy steps designed to facilitate transparency among ASEAN states, thus allowing China to feel secure about America's true intentions in the region. For example, they recommend encouraging Beijing to "participate in joint and multilateral training, peace keeping" even inviting the PLAN navy to make joint port calls with the U.S. Navy, not just in the troubled region but to the United States, as well. 63 Most experts believe the right China policy seems
to lay somewhere between the two approaches which brings us to the issue of the Spratly's themselves.

There are two viable suggested avenues that U.S. policy could take to bring the Spratly issue to closure. First, Mohaamed Jawar bin Hassan, from the Malaysian Institute of Strategic and International Studies (ISIS) believes that the solution lies with a "Tripartite" approach among the U.S., China, and Japan. He contends that only the U.S. "along with the other preeminent economic and military powers in the region" could broker peace and sort out the tangled web of claims and age old sovereignty issues. This Idea, as he admits, is simplistic, but the "Great Power" approach has merit and would be widely accepted. A second strategy, put forth by Mark Valencia, a senior fellow at the East-West Center in Honolulu, envisions the U.S. backing an ASEAN lead effort to form a "multilateral Spratly Development Authority, which would administer the core area and manage the exploration of resources there." Others, like Hamzad Ahmad, also from Malaysia's ISIS, takes the process further. He suggests new rules for determining conflicting claims to the Spratlys by "reclassifying" them into distinct categories "simply to facilitate a understanding of the issues at hand" in order to give the multilateral forum a "sound formula for managing the different disputes."

These viable, yet differing, approaches to the territorial problems of the Spratlys appear to have merit; but they also cry out for strong leadership to help the region and ASEAN implement them. Reflecting Southeast Asia's deepening concerns with regard to current tensions and finding lasting solutions, Mr. Hamzad Ahmad laments:
of pressing concern is the need to maintain a maritime order based on accepted rules which can accommodate fairly the different interests at stake and, at the same time, engage the conflicting parties in a constructive role to seek solutions to their different interests by peaceful means.\textsuperscript{67}

Without fresh solutions and a fundamental change in U.S. policy, the prospects for a lasting solution, short of war, may never be realized.

\textbf{Conclusion}

\textbf{When written in Chinese, the word "crisis" is composed of two characters. One represents danger, and the other represents opportunity.}

\textit{John F. Kennedy}\textsuperscript{68}

Clearly any long term or lasting solution to regional stability in the South China is directly linked to the Spratly Island controversy. This reality necessitates the U.S. stepping back from dated cold war policies, breaking past policy paradigms, and taking a fresh approach to the pervasive problems currently facing ASEAN and Southeast Asia. No longer can the United States be content or afford to stand comfortably on the sidelines trusting exclusively in President Clinton's "overlapping plates of armor" for regional security --which it has done with marginal success over the past 30 years-- or in ASEAN's apparent inability to solve the Spratly dilemma itself. As we have shown, the tangled brier patch of territorial claims coupled with China's hegemonic, and most resent, provocative moves in the South China Sea have
seen to that! Further, if the U.S. truly wants to continue to protect its vital interests, and if it wants to continue to be viewed as the dominate power in the East Asia, the United States must not only take an active role with ASEAN and the other major powers in the region to find new solutions to the Spratly's, it must lead! What is needed now is a new U.S security strategy for Southeast Asia. Without one, Southeast Asia will continue to hear the warning sirens wail and most Americans will be none the wiser, until it's too late!
ENDNOTES


6. Ibid., 5.

7. Ibid., 14.


10. Ibid., 105.


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19. Ibid.

20. Ibid., 185.


22. Shephard, 194.

23. Ibid.


27. Shephard, 194.


32. Ibid.


34. Ibid.

35. Shephard, 189.

37. Shephard, 189.
38. Chen Jie, 898.
39. Chen Jie, 901.
41. Velencia, 14.
42. Blanche, 511.
44. Velencia, 16.
45. Ibid., 18.
49. Nye, 91.
53. Shephard, 196.
54. Ibid.
57. Mcbeth, 28.
58. Shambaugh, 50.

59. Peng Guangqian, "South East Asia's Strategic Importance," Multilateral Activities in South East Asia, 78.


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