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Steering a Steady Course in the South China Sea

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A paper submitted to the Faculty of the United States Naval War College in Newport, RI in partial satisfaction of the requirements of the Department of Joint Military Operations.

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Abstract

The Republic of the Philippines is a long-standing US ally. Despite this, the United States has not recognized Philippine claims of sovereignty over features in the South China Sea in preference to the claims of the People's Republic of China (PRC) or other non-allies. This position raises tension in the region and poorly supports a treaty ally. However, it is the correct policy. The policy of neutrality over claims of sovereignty supports US enduring interests in the rules-based international order and is in accord with our defensive alliances. This paper explores US policy, the history of Philippine-PRC territorial claims and recent developments, and the potential impact of supporting one side or the other's claim. It concludes that the status quo policy is the best option to achieve US global interests but recommends minor adjustments.

Introduction

The Republic of the Philippines is a long-standing ally of the United States. In World War II, the United States even diverted military efforts in the Pacific to liberate the Philippines for political reasons more than military necessity. Now, Philippine sovereignty, economic resources, and security are again under threat by a different Asian power, the People's Republic of China (PRC). This is a critical challenge for US foreign policy, balancing a treaty ally against a vital economic power with rapidly growing diplomatic and military power. US policy towards a treaty ally facing an antagonistic regional power could have economic and diplomatic repercussions far beyond the bilateral relationship.

The current US policy of neutrality is the correct way to support a rules-based international order and balance competing US interests in the region while maintaining US commitments to the Philippines. This paper will first determine the enduring US policy positions and goals. It will then describe what is at stake for the Philippines and the PRC in this dispute. Next, it will examine the implications of the US backing the Philippine or PRC sovereignty claim and show that such a shift would not support US interests. Finally, it will recommend minor adjustments to the way ahead.

US Policy Position and Goals

The US National Security Strategy (NSS) identifies several enduring national interests of the nation, including a “rules based international order.”¹ It notes that the international legal architecture has served the United States well for seventy years.² The Guidance for the Employment of Force (GEF) echoes this for the Pacific region with a goal of a “regional and economic security architecture that is based on... peaceful resolution to disputes.”³ The US policy on disputed territories has been to take no position on sovereignty, as long as the issue is settled peacefully. This includes disputes between US allies and adversaries, between NATO

allies, and between the United States and Canada.⁴ The United States helped establish the current architecture of rules, championing the creation of the United Nations (UN) and the UN Convention on the Law of the Sea (UNCLOS) which is relevant to the Philippine-Chinese dispute. The United States has benefited from the status quo rules-based international order, providing the stability that underpins both predictability in international relations and economic security.

This policy has continued under the Trump administration. In his speech to the UN General Assembly, President Trump stated, “We must reject threats to sovereignty, from the Ukraine to the South China Sea. We must uphold respect for law, respect for borders, and respect for culture, and the peaceful engagement these allow.”⁵ The US Secretary of State declared, “We oppose changes to the status quo of the past through the militarization of outposts in the South China Sea and excessive maritime claims unsupported by international law, and we uphold the freedom of navigation and overflight.”⁶ This reinforces the US Secretary of Defense statement: “We also discussed the importance of freedom of navigation elsewhere in the region, and the peaceful resolution of those disputes in the maritime space ... As we maintain open dialogue on this topic, the United States will continue to fly, sail, and operate wherever international law allows.”⁷ These statements have made it clear that the current US administration is continuing the policy of its predecessors, specifically in the South China Sea (SCS) and in disputes between the Philippines and other nations there.

The objective of the US policy is relatively simple: to preserve the status quo international order the United States created and has maintained since World War II. The United States championed the UN’s creation as part of this enduring and has exercised the majority of the force whenever the UN authorized any means necessary to implement its resolutions. The

UN may not always act as the United States wishes, but it is a reflection of the US values of democracy and the rule of law. Through the UN general assembly and its various resolutions, and the actions of individual governments, customary international law was established. This customary international law has provided the framework for the peaceful settlement of disputes between nations, relatively free and fair trade across the global commons, and the stability that enabled US economic security. This system also supports US values as defined in the NSS, and the GEF's goal to "promote multilateral forums as a mechanism for dispute resolution."⁸ By remaining neutral on sovereignty, the United States encourages resolution of disputes via the rules-based international order already established. The US core interest is not sovereignty or influence in the SCS or influence over the Philippines but the rules-based international order.

The Philippines, with whom the US has a mutual defense treaty, has multiple territorial disputes, most significantly with the PRC, which has refused multilateral forums to reach a peaceful solution. While both states have claims in excess of UNCLOS, the PRC has used coercion to push competitors back in the SCS. The PRC has reinterpreted customary international law and ignored a ruling against it, disrupting the status quo. The PRC's bending of the rules-based international order is the primary concern, not its rise to power.

The Competing Philippine-Chinese Claims

Sovereignty and associated rights in the SCS are core interests of both the Philippines and PRC. As Professor Dutton of the Naval War College notes, the territorial disputes touch on three distinct areas with their own rules, politics, and norms: security, sovereignty, and resources.⁹ First, the PRC wishes to establish a deep maritime security barrier to protect the mainland from traditional oceanic invasion routes, a great wall at sea which presses up against the Philippines and other regional actors. Secondly, sovereignty ties into the national honor of both nations.

Finally, valuable oil, gas, and fish resources are essential to the economies of both countries, but even more so for the less-developed Philippines. Countries go to war over issues of fear, honor, and interest, so it is vital that the United States respects these concerns and understands why each claims the disputed features in the SCS.

The Philippine Claim

The Philippine claim to the Spratly Islands group and Scarborough Shoal dates from May 15th, 1956, when the Filipino navigator Thomas Cloma issued a “Proclamation to the whole world” claiming 33 islands and 64,976 square miles of fishing grounds.¹⁰ While this was not the first nor the last claim of sovereignty regarding the Spratly Islands, it was the first after Japan renounced the islands in 1951.¹¹ Japan had made the earliest claim and had occupied the islands for a significant amount of time, thus establishing a valid claim of sovereignty.¹² Since Japan renounced control and no one assumed it, the Philippines could state the Spratly Islands were “territorium nullius” (nobody’s land) and thus establish a claim. To further this claim, the Philippines announced in 1974 that it would garrison some of the islands; it declared the Spratly Islands and Scarborough Shoal to be abandoned by other states and incorporated them into the Province of Palawan, giving them the title “Kalayaan.”¹³

The Philippines attempted to solidify this claim over one feature by grounding an old landing ship tank (LST), the BRP SIERRA MADRE, on Second Thomas Shoal in 1999. The shoal is within the Philippines’ claimed 200nm Exclusive Economic Zone (EEZ) and the intentional grounding represented the Philippines reinforcing its claim by establishing a permanent presence, an artificial island made by the grounded ship. The PRC objected and has maintained a constant presence with law enforcement vessels, which have chased away Philippine fishers and kept the outpost under an undeclared blockade. What has resulted is a

decades-long cat-and-mouse game between resupply vessels and aircraft and blockading PRC vessels. It has never risen to armed attacks but has kept tensions high.

On Thitu Island, the Philippines established an airstrip, defensive fortifications, and anti-aircraft weapons, and then garrisoned it with Marines.¹⁴ Most of the facilities are in extreme disrepair, but the presence of Marines and civilians on Thitu Island, like the artificial island at Second Thomas Shoal, raises the stakes of a confrontation between the PRC and the Philippines.¹⁵ The Philippines argues that Thitu Island, like other features within its claimed EEZ, cannot independently support life and thus is only entitled to 12nm territorial waters and not a separate EEZ pushing further into the SCS.¹⁶

The PRC Claim

Multiple countries protest the Philippine claim to the Spratly Islands, Scarborough Shoal, and related features. PRC fishers and guano collectors historically used the islands as shelter. Japan occupied the Spratly Islands, and after its defeat in World War II, Nationalist Chinese forces visited the islands to establish meteorological stations.¹⁷ However, this visit did not establish a permanent occupation and occurred before Japan formally relinquished custody of the islands in 1951, after which the Philippines claimed the features as an abandoned territory.¹⁸ The PRC claims are also cryptic. It has not specified precisely and formally where it claims baselines for the disputed territories under UNCLOS, a prerequisite for legally establishing territorial seas and EEZs. The PRC established local laws governing baselines for some features and required other countries to obey the laws within its Nine-Dash line but never made formal filings under UNCLOS. In recent years, the PRC has slowly solidified its control over the SCS via coercive “salami slicing” tactics. Each action has been below the threshold that draws a major response

but helped the PRC gain control via maritime militia and law enforcement plus extensive land reclamation and building and likely fortifying islands atop disputed SCS features.

Philippine-PRC Interaction

To counter PRC encroachment in the SCS, the Philippines has employed legal, diplomatic, and military means.¹⁹ On the legal front, they formally challenged the PRC's actions by submitting a case to the Permanent Court of Arbitration (PCA) in The Hague under the terms of UNCLOS, in line with the US interest in a rules-based international order. On the diplomatic front, they eschewed bilateral negotiations with the PRC until The Hague Ruling, working instead with Association of South East Asian Nations (ASEAN) member states to present a united front against the PRC, in line with US desire for multilateral solutions. On the military front, the Philippines seeks to re-energize defense relations with the United States to bolster its capabilities and deter the PRC.²⁰

Recent Philippine-PRC Developments

Scarborough Shoal Incident

In April 2012, 12 PRC vessels were fishing in and around Scarborough Shoal inside the Philippines' EEZ. They were confronted by the Philippine frigate GREGORIO DEL PILAR, a former US Coast Guard (USCG) cutter, supplied under a program of partner capability building. One of the fishing vessels transmitted a distress call to a PRC government control station before being seized for poaching. Four PRC fisheries and maritime surveillance ships were dispatched to Scarborough Shoal, arriving over the next few hours and days.²¹ All of the PRC ships were law enforcement vessels, which kept the crisis below the military threshold, respecting the deterrent power of the US-Philippine mutual defense treaty. The Philippines then replaced their warship with a Coast Guard vessel but were unable to enforce their laws due to the efforts of the more numerous PRC government vessels interposing themselves between the Philippine Coast

Guard ships and PRC fishers. PRC law enforcement vessels even supplied fuel to the fishers to enable them to fish longer.²² According to Philippine sources, it withdrew its vessels in an agreement with the PRC that was brokered by the United States, but the PRC never withdrew.²³

PRC media and local government praised the fishers' contribution to "rights protection" as well as their "bravery and obedience" to "higher national authorities."²⁴ This incident gave the PRC de-facto control and jurisdiction over the shoal. The PRC has since maintained a continuous presence of law enforcement vessels at both Scarborough Shoal and Second Thomas Reef, even chasing off Philippine vessels with water cannon.²⁵

The Hague Ruling

In the aftermath of the Scarborough Shoal incident, the Philippines submitted a case to the PCA, attempting to settle issues of maritime control in the SCS. At the time of filing and since the ruling, the PRC has refused to acknowledge the PCA's jurisdiction over what it considers an issue of sovereignty and objected to the Philippines appealing to an outside authority rather than initiating bilateral negotiations.²⁶ Despite the PRC's refusal to cooperate, the PCA found that it had jurisdiction and ruled conclusively against the PRC. It found that PRC's historic rights were forfeited when they agreed to UNCLOS, undermining the PRC's overall claim. While not ruling on the sovereignty of the features in question, the PCA ruled that Scarborough Shoal, Johnson Reef, Cuarten Reef, Fiery Cross Reef, Gaven Reef (north) and McKennan Reef are all islands.²⁷ The ruling also found that these features and the Spratly Islands could not independently support human habitation or economic activity and thus do not generate EEZs.²⁸ The PRC's own statements and historical records were used against it: Chinese fishers who utilized the features did not remain there, bring families, or refer to themselves as natives.²⁹ Since these features did not have EEZs, sovereignty was immaterial to the Philippine

EEZ extending past them from the main Philippine islands. The PCA further ruled, in some cases against the Philippines, that Subi Reef, Hughes Reef, Mischief Reef and Second Thomas Shoal are not above water at high tide and generate neither territorial waters nor EEZs.³⁰ This means that the PRC artificial island built on Mischief Reef has no more maritime status than an oil platform. The ruling also rebuked the PRC for violating Philippine sovereignty, damaging the maritime environment, and aggravating the dispute.

Alternatives to Current US Policy

While the PCA vindicated the Philippines, it is unenforceable. The issue of sovereignty over the features was not addressed. The PRC having a veto on the Security Council prevents the UN from authorizing any actions to protect the Philippine EEZs from the PRC. The Philippines, a US-treaty ally, did not formally request US support and has been coerced out of parts of its EEZ by PRC actions. This seems a blow to the US policy of neutrality. Had the United States aggressively supported Philippine claims, would the PRC have pushed into her EEZ? Alternatively, should the United States support the PRC as a more economically and globally vital partner?

The Case for Supporting the Philippines

Supporting a treaty ally seems a clear alternative policy, but it would come at a cost. It would send a strong message of support to a militarily weak and economically troubled ally. In the wake of the PCA ruling, it would unambiguously act as a strategic message to the PRC regarding the importance of the Philippines and the importance of multilateral organizations. Recognizing Philippine sovereignty would also have the deterrent effect of establishing a red line. This would be especially significant after the United States failed to support the Philippines when it was forced out of Scarborough Shoal and failed to aid the resupply of the Philippine Marines at Second Thomas Shoal. These failures enabled PRC aggression. Siding with the

Philippines would send a strong deterrent signal that the United States is recommitted to its ally. The PRC would have to take this major US policy change into account in its political calculus. However, this would come at great political cost. Supporting Philippine claims in the SCS would leave other allies wondering why only it received special treatment. US policy must take all partners and actors into consideration. The United States desires a rules-based international order and the current status quo to continue. Having one policy for territorial disputes involving the Philippines, another for disputes involving Japan, a third for the PRC, and a fourth for Norway is arbitrary, adds complexity, and undermines the international status quo.

The US policy could be changed to support all allied sovereignty claims. This would equalize Japanese and Philippine claims while placing US treaty allies' interests over others. It would also encourage countries like Vietnam to court the United States to have their claims recognized, increasing US influence. The United States could retain a position of neutrality for non-allies. However it must think of its overall global interests. While the needs of allies are significant, the United States has an enduring interest in stability. An overly empowered or aggressive ally can be as dangerous to stability as an adversary. Allies could call upon the United States to "reclaim" disputed territories occupied by a non-ally, causing a crisis. The PRC would also perceive the sudden shift in US policy, choosing smaller regional allies over PRC interests, as further proof of US attempts to contain and subjugate the PRC. Openly siding in disputes against the PRC would be contrary to the US interest to pursue "a relationship with China that promotes transparency and stability."³¹ Suddenly changing policy would also seem to be an attempt to court Philippine President Duterte, allowing a regional ally excessive influence over US policy with global implications. Finally, the Philippine claim is no than competing ones. China (before the PRC came to power) did visit and claim the disputed territory after the

defeat of Japan. While Japan took years to cede control officially, a Filipino civilian declaring ownership seems a weak reason for antagonizing China.

The Case for Supporting the PRC

If siding with the Philippines in a regional dispute would be contrary to US interests, would siding with the PRC better serve those interests? Just as in the Philippine case, the costs outweigh the benefits. On the plus side, Duterte already announced he was “separating” from the United States and “realigned” with China.³² Russia is now providing arms to the Philippines. If the Philippines does not see the United States as an ally, is there any need to support them? The enduring interests at stake are a rules-based international order and economic security, not influence over the Philippines or the SCS. The United States has made Machiavellian decisions in the past. Decades ago it accepted the PRC as a permanent member of the UN Security Council, displacing Taiwan who had been a US ally. The Philippines brings little diplomatic, military or economic power to support the United States. Some minor features claimed by a Filipino civilian in the SCS are not worth US blood, talent, or treasure defending against the PRC. The PRC, on the other hand, is a significant trading partner with rapidly growing military power. Building a closer partnership with it could have multiple benefits while losing the Philippines would have less impact; they are lost already according to Duterte.

Siding with PRC claims in the SCS would eliminate a source of tension between the United States and PRC. Changing US policy to support the PRC would enhance the stability of the US-PRC relationship. This would garner goodwill with a rising world power and might enable breakthroughs on other issues. Additionally, the US could avoid being drawn into a conflict between the PRC and the Philippines, reducing the threat of war. It would have the realpolitik advantage of recognizing the primacy of PRC influence and power in the region.

Stability is an enduring US interest as it is for the PRC. Perhaps US needs might outweigh those of an ally. Additionally, to whom could the Philippines turn if the United States did not support them? With the US and PRC in accord, the Philippines would have few options. Siding with the PRC would not be pushing the Philippines into the hands of an adversary so much as embracing the adversary.

On the other hand, Duterte's comments were not followed by discernible action and could be reversed by the next administration. If the US decided to support the PRC's claims, it would betray the Philippines' trust and endanger alliances with other countries that have territorial disputes with the PRC. Japan, with its own disputes, would be forced to question the strength of the US-Japan alliance. The PRC might perceive the sudden US change as weakness or an invitation to push harder on other regional claims, including Japan. The Korean War was partially caused by the US not overtly including it in the Pacific defensive perimeter. A contributing factor to the first Gulf War was the ambassador to Iraq telling Saddam Hussein the United States had no association with Kuwait and no opinion on Arab disputes, a perceived green light for Iraqi aggression.³³ Globally, other US treaty partners would question our support for their territorial disputes and US commitment to NATO or South Korea. Supporting the PRC's claims of sovereignty would be destabilizing not only in the region but also globally. Abandoning an ally, providing a potential green light to PRC use of force, and the instability that would result is not in the US national interest.

Utility of Current Policy

Choosing one side or another in the Philippine territorial disputes has far more negative consequences than positive. The policy of neutrality strikes a delicate balance. Consistency and the trust associated with it are crucial for US enduring interests. Freedom of Navigation

Operations (FONOPS) in support of this system has attracted multilateral support. The current policy does not call US treaties into question. Despite setbacks, the policy has shown progress in achieving both US and Philippine goals.

Importance of Consistency and Trust

US enduring national interests include a rules-based international order; to by continuing to resolve disputes diplomatically or accept negotiated settlements between other countries, the United States bolsters this order. If other nations can trust the United States to be consistent, there will be international stability, which serves US economic interests. It also serves US military interests by reducing the risk of crisis that might require intervention. Consistency allows adversaries, partners, and allies a reliable framework to resolve disputes. US interests are global and not limited to one ally or region; holding inconsistent policies by region would undermine them. Instead, consistent US policies have gained international support.

US Freedom of Navigation Operations (FONOPS)

To demonstrate commitment and avoid conflict, it is necessary to do more than merely state what is not tolerated.³⁴ Credible action is required, even if it puts secondary interests in harm's way. Indeed, this risk can make the action seem more credible. Placing US aircraft and vessels in disputed waters, shadowed at close range by parties that claim ownership, within range of multiple PRC weapons systems, shows US commitment to the legal use of the seas despite the excessive claims of the PRC (or other nations). Making FONOPS challenges to the excessive maritime claims of allies and non-allies shows US impartiality regarding these claims. This bolsters the US position of neutrality and supports a rules-based international order.

The long-standing US military-diplomatic effort of staging challenges to PRC and other claims in the SCS have drawn recent de-facto international participation. In June 2017, the

Japanese Maritime Self Defense Force (JMSDF) sent its largest warship to participate in exercises within the waters claimed by the PRC.³⁵ The Indian Navy also began operating in the SCS to which it has no territorial claims but which it considers “of vital strategic interest.”³⁶ England’s Foreign Secretary recently stated that all parties in the SCS should respect freedom of navigation and that an early mission for England’s new aircraft carriers would be to operate in the SCS.³⁷ These acts serve as evidence that other countries respect the US position and are joining international efforts to counter excessive claims in the SCS. The United States is leading this international effort to enforce a rules-based system.

Impact on Defensive Alliances

Recognizing one country’s claim over another could destabilize a region or encourage military adventurism. Conversely, acknowledging a claim of sovereignty is not required to honor a defensive alliance. The US has recognized defense treaties as applying to disputed territories in the past. President Obama explicitly affirmed that the disputed Senkaku Islands (claimed as Diaoyu Islands by the PRC) were covered by Article 5 of the Japan-US Security Treaty.³⁸ That treaty states that all territories administered by Japan are covered, and despite the PRC’s claim of sovereignty, Japan currently administers the Senkakus.³⁹ The wording of the US-Philippine treaty is very similar.

The Philippine-US defensive alliance has helped avoid conflict and instability. In the case of Scarborough Shoal, the PRC carefully used its maritime militia and law enforcement entities to apply pressure to the Philippines. The PRC has not been so restrained against other SCS claimants. In the Johnson South Reef Skirmish, PRC warships sank Vietnamese support vessels, and unnamed Vietnamese engineers, standing on the reef, were killed by 37mm cannon.⁴⁰ The PRC claimed the feature and built an artificial island. The PRC did not use its

navy against the Philippines to resolve claims, risking US confrontation. Even with a neutral position on sovereignty, the US defensive alliance deterred the PRC and enabled a peaceful resolution after the PCA ruling.

Progress on Sovereignty Disputes

While the PRC has repeatedly rejected PCA ruling, it does appear to have modified its behavior in its wake. In August 2017, the PRC and Philippines reached a bilateral agreement to leave Scarborough Shoal undeveloped, allow Philippine fishing, and conduct a joint oil and gas venture whose profits favor the Philippines.⁴¹ This can be seen as the PRC, while openly disregarding the PCA ruling, de-facto complying with it and not acting unilaterally in another nation's EEZ. This quiet, peaceful shifting of the PRC's position is evidence the rules-based international order is working, it also may represent the PRC saving face in bipartisan talks. The PRC demanded the talks, but the Philippines avoided them until The Hague Ruling was finalized, claiming a moral and legal high ground in a multilateral forum. Talks have given them both a say in how the EEZ is utilized and part of the proceeds, in accordance with UNCLOS. One could counter that Duterte's moving closer to China allowed this, but his actions have not matched his rhetoric. Additionally, peaceful resolution and following a rules-based order is the enduring US interest, not loyalty of the Philippines.

The Way Forward

Neutrality over territorial disputes is the best option to enhance a rules-based international order; however, there are small improvements to be made vis-a-vis the Philippines. The United States needs to reassure the Philippines and deter adversaries by clearly establishing firm lines. Additionally, Philippine capability must be enhanced to ensure its domain awareness and influence over its EEZ.

Establish Clear Deterrent Posture

The US needs to state its position concerning the US-Philippine treaty with regard to disputed territories, as it did with Japan. Deterrence requires that the actions to be deterred are unambiguously communicated. Ambiguity here can result in inadvertent conflict should the other party cross an unstated boundary. Conversely, if the United States does not define those actions that are unacceptable, it could result in the United States having to back down if an undefined line is crossed, and the United States does not wish conflict. This would effectively grant a concession to an adversary while abandoning both an ally and a US policy goal. The US should also privately but plainly communicate to the Philippines that the US will defend them if attacked, but if the Philippines force a confrontation, it may not have US support in a limited strike or skirmish. The defensive treaty is not a pledge for war under any circumstances.

Building Partner Capability

A way to reassure the Philippines and deter the PRC is to bolster Philippine capability to observe and deter in its EEZ. The US already augments Taiwan's self-defense capability through major arms sales. The Philippines lacks comparable economic capability to invest in symmetric defense against the PRC, and there are concerns about its extrajudicial use of force against its citizens. A solution is to provide the Philippines with maritime domain awareness and long-range strike capabilities less prone to internal abuse but geared toward protecting her EEZ. The US has already provided surplus USCG cutters for the Philippine navy. Capabilities such as surveillance drones and over the horizon radars would enable them to detect and respond more quickly to maritime intrusions, or provide cueing to US forces in a crisis.

The Philippines lacks credible strike capability. Creating an air force, especially one capable of operating against the PLAAF, is far too great a challenge for in the short term.

However, there is an asymmetric option. The Tomahawk cruise missile had a ground-launched

variant, the BGM-109G Gryphon. While the United States retired it under the Intermediate Nuclear Forces (INF) treaty, the Philippines is not a signatory and could be equipped with it. Batteries of Gryphon missiles could cover all PRC-controlled features in the Philippine EEZ and even hold parts of mainland PRC at risk. The US is examining Tomahawk variants with anti-ship capabilities. Mobile, dual-capable land or maritime strike weapons, coupled with maritime domain awareness assets, would provide the Philippines its own deterrent capability.

The US has also experimented with using Army Tactical Missile System (ATACMs) as a 186-mile range anti-ship and land-attack weapon.⁴² This system would cover most of the Philippine's EEZ and the disputed features, allowing it to respond directly and rapidly to a threat. Even a limited number of Gryphons and ATACMs could impose an early and high cost on PRC aggression and bolster deterrence without being too destabilizing.

Conclusion

No strategy is perfect. The complex interactions of nations and non-state actors relentlessly alter the international system. As Schelling observed, "Diplomacy is bargaining; it seeks outcomes that, though not ideal for either party, are better for both than some of the alternatives."⁴³ The situation between the Philippines and PRC is far from ideal, and current US policy does not fully achieve US its enduring interests. However, it is better than the alternatives of disrupting the status quo by reversing long-standing policy or taking sides in a dispute that is not a core interest. By maintaining neutrality and focusing on a rules-based international order, conflict is avoided, and progress toward stability is achieved in the SCS. The Philippines regained access to part of its EEZ through legal and diplomatic action. The enduring US goal is maintenance of a rules-based international order and freedom of operation on the global

commons, which supports US prosperity through stability and supports its allies. This is best achieved through the current policy of neutrality.

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