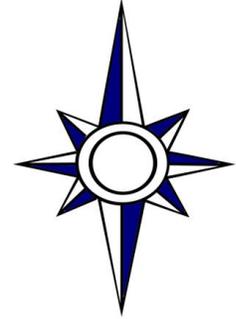


Comparative Connections

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China-Southeast Asia Relations:

South China Sea Advances Meet Stiff US-led Opposition

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Chinese leadership's efforts in late 2013 to shift the emphasis of China's regional posture toward positive economic and diplomatic initiatives and to play down South China Sea territorial disputes foundered in early 2014. Led by US government officials, notably the secretaries of State and Defense, increasing international criticism focused on Chinese efforts to advance territorial control through coercive, intimidating, and disruptive means. Beijing's continued assertiveness and advances involving fishing regulations, air defense rights, and coast guard and naval activities based on China's vague and broad territorial claims received repeated, strong US executive branch criticism and firmer opposition in Congress. The US was joined by regional allies Japan, the Philippines, and Australia. Official Chinese media noted President Barack Obama's endeavor to sidestep direct criticism of China during stops in Malaysia and the Philippines in his April visit to Asia, though the Philippine-US Enhanced Defense Cooperation Agreement marking Obama's Manila visit was widely criticized. Although Southeast Asian media and other non-government commentary also registered concerns with Chinese assertiveness, most governments tended to avoid criticism of China. Nevertheless, Malaysia and Indonesia voiced unusual concern for their interests posed by China's broad territorial ambitions.

China's image of success, beneficence, and resolve

Leadership pronouncements and supporting commentary portrayed China as successfully striking the "right balance" in efforts to advance control over disputed territory while winning regional support through active and avowed mutually beneficial economic, diplomatic, and other initiatives with Southeast Asian governments, ASEAN, and other regional groups. In January, official Chinese media reviewed developments over the past year to forecast continued progress in economic and other interchange with Southeast Asian governments and organizations amid strong efforts to safeguard contested territorial claims. Prime Minister Li Keqiang's government work report to the March meeting of the National People's Congress (NPC) hailed Chinese efforts to build a maritime "Silk Road" of ever-greater Chinese-Southeast Asian economic interchange along with an upgrading of the China-ASEAN Free Trade Agreement. As part of China's recent emphasis on improving relations with countries along its periphery, China-Southeast Asia diplomatic work has entered "a new stage," according to the report. Though Li and President Xi Jinping had muted public affirmations of Chinese resolve on territorial disputes during visits to the region last fall, Li's report and supporting commentary revived a practice seen in official comment since 2012 in strongly stating that "we must firmly safeguard our national sovereignty, security and development rights."

In his press conference at the end of the NPC meeting, Li recalled his visits to Southeast Asia to advise that China's concurrent "unswerving" determination to pursue "peaceful development" and "unshakable" will to safeguard China's sovereignty and territorial integrity have been successful in the region. In similar fashion, Li's address to the annual Boao Forum in Hainan Province in April stressed various Chinese initiatives to advance regional development and prosperity while underlining determination to uphold Chinese sovereignty.

Echoing these themes at his press conference at the NPC meeting, Foreign Minister Wang Yi underlined resolve to defend sovereignty and territorial rights while affirming a long list of positive Chinese attributes in demonstrating "new development in China's good-neighbor policy." According to the foreign minister, China wishes to "forge a common destiny" with Southeast Asian and other countries along China's rim, and will do so with "magnanimity" and "cordial, honest, kind and tolerant" diplomacy; "if others give us an inch, we give them a yard." Regarding territorial disputes with Southeast Asian countries, Wang stated "we will absolutely not bully small countries, just because we are a big country," but added in apparent reference to the Philippines and its vocal opposition to Chinese assertiveness over disputed territory "nor will we accept small countries to kick up a row."

Rising criticisms, Chinese responses

The paeans in official Chinese commentary over the alleged success of China's seemingly contradictory two-track approach to Southeast Asia involving positive incentives on the one hand and coercion, intimidation, and pressure on the other have dropped off in the face of increased criticism led by senior US government officials. As seen in other sections of *Comparative Connections*, US officials, notably Secretary of State John Kerry and Secretary of Defense Chuck Hagel, have been in the forefront in sharply criticizing and challenging Chinese actions and claims in disputed maritime territories. In Southeast Asia, Secretary Kerry, speaking in Manila in December, warned China against the reported intent to follow its abrupt announcement of an air defense information zone (ADIZ) over the disputed region of the East China Sea with a similar zone over the disputed South China Sea. The United States, Japan, the Philippines, and Australia registered strong public opposition to this purported Chinese move.

In January, a decision by Chinese authorities in Hainan Province responsible for South China Sea matters received international attention as it called for implementing regulations on enforcement of China's jurisdiction over vessels using disputed waters in the South China Sea. The decision raised concerns over a confrontation that might start with Filipino, Vietnamese, or other fishing boats accustomed to using these waters and included powers with a strong interest in stability and freedom of navigation, notably the United States. A Chinese provincial official disclosed in March that Chinese authorities implementing the decision have been confronting and if necessary apprehending foreign boats "if not every day at least once a week." The decision was condemned as "provocative and potentially dangerous" by the US State Department spokesperson on Jan. 9. It also was criticized by Japan, the Philippines, Vietnam, and Taiwan. Official Chinese commentary responded by attacking the US intervention and warning against a nefarious US "agenda" against Chinese interests in the South China Sea.

US congressional hearings since January have shown a rising chorus in the US Congress and supportive media for a tougher US posture to deal with perceived Chinese “salami slicing” tactics being used to advance control of territory in the South China Sea and other disputed areas along China’s rim. President Obama and his administration were called on repeatedly to show greater resolve and to define a strategy and tactics to deal with Chinese intimidation and coercion short of using direct military force to advance China’s control of territory in ways seen detrimental to US interests in regional stability, freedom of navigation, and support for allies and friends in the region. The hearings provided venues for leading administration officials to adopt a tougher rhetorical stance against Chinese practices in the South China Sea as well as in the disputed East China Sea. Meanwhile, US officials registered their firmer resolve in other venues, including visits to Southeast Asia and China. The Chinese response has been negative and carefully measured. Chinese top leaders, like President Obama, generally have eschewed criticizing each other over South China Sea issues, leaving the tasks to subordinates.

Late January began what has developed into a carefully orchestrated effort by US officials responsible for regional affairs to push back against Chinese assertiveness in the South China Sea and other disputed regions. National Security Council Asia Director Evan Medeiros told the Japanese news agency *Kyodo* on Jan. 31 that US opposition to China declaring an ADIZ over the disputed South China Sea, following Beijing’s abruptly announced ADIZ over the disputed East China Sea in November, could involve “changes in our presence and military posture in the region.” The US State Department spokesperson the same day reinforced Medeiros’ stance against a Chinese ADIZ in the South China Sea.

In congressional testimony on Feb. 5, Assistant Secretary of State for East Asian and Pacific Affairs Daniel Russel advanced US criticism of a long list of recent Chinese provocations in dealings with the Philippines and Japan in disputes over islands in the South China Sea and the East China Sea. He capped his indictment with the first explicit US official rebuke of China’s broad and vaguely defined claims to most of the South China Sea based on historical interaction and a “nine-dash line” shown in Chinese maps. He said, “Under international law, maritime claims in the South China Sea must be derived from land features. Any use of the ‘nine-dash line’ by China to claim maritime rights not based on claimed land features would be inconsistent with international law. The international community would welcome China to clarify or adjust the nine-dash claim to bring it in accordance with the international law of the sea.” Russel endorsed the Philippine decision to pursue an arbitration case under the UN Convention on the Law of the Sea on the legality of China’s claim to the South China Sea, which has been sharply criticized by China. Russel highlighted the strengthening of US alliances and security relationships with partners like the Philippines as an essential means to maintain stability amid recent controversies he saw caused mainly by China.

Secretary Kerry set the stage for his visit to Asia in February and that of President Obama in April with a cordial meeting with the Japanese foreign minister in Washington on Feb. 7. He took special aim against “China’s attempt to change the status quo by coercion and intimidation in the Senkaku Islands and the South China Sea,” highlighting common Japan-US resolve in dealing with Chinese actions.

Concurrent developments in China-Southeast Asian relations added to Chinese frictions with Southeast Asian neighbors and concerned powers led by the United States. The Japanese newspaper *Asahi* reported Jan. 31 on Chinese military preparations to establish an ADIZ in the South China Sea, a report later denied by the Chinese Defense Ministry spokesperson. Also in late January, Philippine officials told the media that Philippine fishermen had returned to disputed Scarborough Shoal despite the newly enforced Chinese fishing regulations and Chinese maritime security ships having excluded them from the area since 2012. However, the officials in February followed up with reports to the media that Chinese Coast Guard forces were harassing the fishermen in the area, with an instance on Jan. 27 where a Chinese ship used its water cannon to drive away Philippine boats. The water cannon incident prompted formal Philippines protests and Chinese rebuttals.

Targeting Chinese bullying, Philippine President Benigno Aquino told the *New York Times* on Feb. 4 that Chinese demands and advances requiring surrender of territory piecemeal mimicked those of Adolf Hitler's Germany prior to World War II and he called for stronger international support. Philippine media disclosed that the outburst signaled Aquino's rejection of an alleged clandestine overture from China promising access to Scarborough Shoal and other benefits in return for the Philippines dropping its arbitration case under UNCLOS on the legality of China's claims in the South China Sea. Chinese officials and commentary denied the Philippine reports and rebuked Aquino for his "senseless attack" on China.

In a related move, the US chief of naval operations visiting Manila for ongoing US efforts to strengthen military ties told an audience at the Philippines National Defense College on Feb. 13 that the US will "help" the Philippines in the event that China occupies disputed islands in the South China Sea. Adm. Jonathan Greenert also stressed that the US would honor its mutual defense treaty with the Philippines amid the territorial conflict with China. The remarks were seen in the Philippines as the strongest public US declaration of support for the Philippines regarding the disputed South China Sea since tensions rose in 2012. Greenert's remarks prompted a detailed rebuttal by China's foreign ministry spokesperson.

The scope of regional frictions broadened with the patrol in January and February of a PLA Navy amphibious landing ship and two destroyers that traversed the South China Sea, navigating around Java and passing to the east of the Philippines, before returning to China. The warships stopped at James Shoal, an area 50 miles from Malaysia and within that country's Exclusive Economic Zone, where the sailors reaffirmed determination to protect Chinese sovereignty over this Chinese claimed territory. At first Malaysian officials denied knowledge of the Chinese action, which was reported in official Chinese media. Later reports said that Malaysian officials were concerned and were taking steps to build closer ties with other South China Sea disputants, the Philippines and Vietnam. Using language seen unfavorable to China, the Malaysian prime minister joined President Obama in a formal statement marking the US president's visit on April 27 that affirmed common principles in dealing with South China Sea disputes including support for international arbitration and the principles of the UNCLOS and opposition to use of force, intimidation, or coercion.

Adding to the list of recent Chinese advances, Philippine officials told the media in February that four Chinese Coast Guard ships had returned to Second Thomas Shoal, another area claimed by

the Philippines but disputed by China, after an absence of several months. They expelled Philippine fishing boats and on March 9 they blocked civilian ships attempting to resupply a small group of Philippine Marines occupying a grounded Philippine Navy vessel on the shoal.

Strongly worded protests by the Chinese Foreign Ministry spokesperson and Philippines officials over the standoff on supplying the marines were accompanied by air drops and maneuvers by Philippine supply ships to complete the resupply effort. The US State Department spokesperson condemned the Chinese blocking of the resupply ships as a provocative move that raises tensions. The Chinese Foreign Ministry spokesperson condemned the US action and charged the United States was “taking sides in the dispute.” The level of tension over Second Thomas Shoal seemed high when Chinese Foreign Ministry spokesman Hong Lei affirmed on March 29 that “I want to stress that the Chinese side will absolutely not allow the Philippine side to invade and occupy the ... reef in any form.”

The Philippines’ submission on March 30 of its 4,000 page Memorial to the Permanent Court of Arbitration at The Hague detailing arguments on the merits of its case at odds with Chinese claims in the South China Sea prompted measured official commentary from China explaining why Beijing will neither accept nor participate in the process. The Chinese Embassy in Manila on April 3 issued a long statement in defense of China’s position and against the Philippines’ stance, but senior Chinese officials generally avoided comment or other attention to the move. The US State Department spokesperson promptly supported the move.

During his early April meetings with ASEAN defense ministers in Hawaii and later travels to China and other Asian stops, Secretary Hagel was forthright in opposing intimidation and coercion over South China Sea disputes, earning rebukes from Chinese counterparts. Chinese Central Military Commission Vice Chairman Fan Changlong told the media at his meeting with Hagel that the defense secretary’s remarks in the ASEAN meeting and in Asia were “tough” and that China was “dissatisfied” with them. Nonetheless, Hagel capped his China visit with a meeting with President Xi Jinping that Chinese official media reported without negative comment on differences.

Reactions by other Southeast Asian governments, ASEAN

In a Senate Foreign Relations Committee hearing on April 3, Assistant Secretary Russel advised that alarm in Asia over Russia’s annexation of Crimea has raised regional concerns over Chinese advances that “appear to presage a more muscular approach” to South China Sea and other disputes. Thus far, with the notable exception of the Philippines, public actions by Southeast Asian governments at odds with China’s recent assertiveness have been limited.

In this reporting period, Vietnam sustained high-level interchange with China and avoided explicit support for the Philippines on most disputed issues. It did criticize the Chinese fishing regulations but avoided comment on reports of a Chinese ship attacking Vietnamese fishing boats in March. In February, Vietnamese demonstrators attempting to mark the anniversary of China’s 1979 invasion of Vietnam were thwarted by aerobics enthusiasts and ballroom dancers allegedly organized by Hanoi authorities to impede access to a famous patriotic shrine in Hanoi.

Malaysian concern over the Chinese military demonstration at James Shoal in January reportedly reinforced Malaysia's decision to join with other South China Sea claimants the Philippines and Vietnam in Manila in February to coordinate policy regarding Chinese actions in the South China Sea. South China Sea claimant Brunei failed to send representatives to the meeting, despite originally agreeing to attend, according to Philippine media. At the meeting, the officials reportedly agreed to reject China's "nine-dash-line" claim, push for an early conclusion of negotiations for a binding code of conduct in the South China Sea, and ask Brunei to join in follow-up meetings. Malaysian concern with China in the South China Sea was also registered in the treatment of South China Sea issues in the joint US-Malaysian statement of April 27.

In the context of Chinese Navy patrols asserting Chinese sovereignty in nearby waters and China's vocal and broad South China Sea claims seemingly involving Indonesian territory within its "nine-dashed-line," Indonesian officials broke with the longstanding practice of avoiding public discussion on possible territorial disputes with China. In March, Indonesian officials said that China's claims overlap with Indonesia's Riau province, which includes the energy-rich Natuna Islands chain. The significance of the shift remains to be seen. Indonesia for years has sought in vain to get reassurance that, despite China's "nine-dashed-line claims," Beijing accepts Indonesia's claims to the territory in question based on UNCLOS. In the past, Indonesia had positioned itself as an independent mediator in South China Sea disputes. It now has publicly acknowledged that China is claiming a segment of Indonesia's Riau province as a result of Beijing's "nine-dash line" claim. The Indonesian defense minister in a commentary in the *Wall Street Journal* on April 24 highlighted the dispute with China and the need for Indonesia to increase military preparations to defend its territory.

In an interview in April, Singapore Prime Minister Lee Hsien Loong reaffirmed that Singapore would not take sides in the South China Sea disputes and that the disputes should be resolved peacefully, in accordance with international laws including UNCLOS. Lee highlighted ASEAN's role in helping to manage tensions over territorial disputes. ASEAN foreign ministers issued a statement affirming previously agreed principles on dealing with South China Sea matters that prompted the Chinese Foreign Ministry spokesperson on Jan. 21 to reaffirm China's "indisputable sovereignty" over South China Sea territories and Beijing's willingness to resolve disputes through negotiations.

Lee was asked about progress in the protracted ASEAN-China discussions to establish a code of conduct among disputants in the South China Sea; a round of discussions took place in Singapore in March. In response to a question about whether China was interested in concluding agreement on a proposed code, he advised that the discussions are "still at an early stage"; they are "preliminary discussions." In contrast, *Xinhua* reviewed in very positive terms the results of senior China-ASEAN officials meeting in Thailand during late April with an observation that Chinese and ASEAN officials "welcomed" unspecified results achieved at the March discussion in Singapore.

The search for MH 370 and Chinese-Malaysian relations

The unprecedented international efforts to locate the missing Malaysian airliner and account for its 227 occupants, including 153 Chinese nationals, were accompanied by developments that had

a negative impact on China's relations with Malaysia. Chinese officials and media pressed the Malaysian authorities repeatedly. The government commentary criticized Kuala Lumpur, with the Chinese Foreign Ministry releasing a statement calling on "the Malaysian side to step up their efforts to speed up the investigation and provide accurate information to China in a timely fashion." On March 25 and again on April 25, Chinese relatives of those on board demonstrated in front of the Malaysian Embassy in Beijing expressing frustration with the Malaysian government handling of the issue. The demonstrations received supportive and positive attention in official Chinese media. Concurrently, the media in March highlighted President Xi Jinping interrupting his deliberations at the Nuclear Security Summit in The Hague to appoint a special envoy to go to Malaysia to press for more action. It also highlighted Prime Minister Li Keqiang's urging Kuala Lumpur "to provide more accurate and detailed information." Chinese social media and widespread commentary by Chinese entertainers and celebrities were very critical of Malaysia. Official Chinese media highlighted a large drop in planned Chinese tourist visits to Malaysia; tourists from China are Malaysia's third largest tourist group. The media reported Chinese passengers' widespread refusal to use Malaysian Airlines. On March 25, Malaysian officials pushed back against the Chinese pressure, pointing to Chinese data that misdirected initial search efforts to the South China Sea. Malaysian social media were full of comments condemning Chinese self-absorbed arrogance in dealing with Malaysia over the tragedy. Yet, Malaysian leaders remained reluctant to escalate public tensions with China over the dispute.

Chronology of China-Southeast Asia Relations January – April 2014

Jan. 3, 2014: First meeting of China-Cambodia Intergovernmental Coordination Committee is held in Beijing with Chinese State Councilor Yang Jiechi and Cambodia Deputy Prime Minister and Minister of Foreign Affairs Hor Namhong as co-chairs. They agree to deepen cooperation in economics and trade, agriculture, defense, law enforcement and cultural exchanges.

Jan. 21, 2014: Chinese media reports that Hainan province and the city of Sansha will set up new civilian patrols in the South China Sea. The intent is to "safeguard national sovereign rights and benefits, develop at-sea assistance, [and] ensure navigational safety."

Jan. 27, 2014: Chinese Coast Guard ships fire water cannons at Filipino fishermen near the disputed Scarborough Shoal, prompting official protests from Manila.

Jan. 29, 2014: Malaysian officials dismiss media reports of Chinese ships patrolling in the James Shoal, which lies in Malaysia's exclusive economic zone in the South China Sea.

Jan. 30, 2014: Chinese State Councilor Yang Jiechi and Vietnamese Vice Prime Minister Pham Binh Minh exchange ideas over the phone on improving bilateral ties as part of the preparatory work for forthcoming seventh meeting of the Guiding Committee for China-Vietnam Bilateral Cooperation.

Feb. 7, 2014: China and the Philippines trade remarks over the territorial disputes in the South China Sea after President Benigno Aquino III compares the Philippines to Czechoslovakia facing

territorial expansion by Nazi Germany in an interview with the *New York Times*. Chinese officials express dissatisfaction and respond that the comparison is unreasonable.

Feb. 11-21, 2014: Seventeen Chinese soldiers take part in the *Cobra Gold* exercise in northern Thailand, joining soldiers from six other countries in humanitarian exercises led by the US.

Feb. 13, 2014: Philippines announces it will pursue the arbitration case with the International Tribunal on the Law of the Sea to help settle its South China Sea territorial and maritime disputes with China.

Feb. 18, 2014: Officials from the Philippines, Malaysia, and Vietnam meet in Manila to coordinate policy regarding Chinese activities in the South China Sea. Fellow claimant Brunei fails to send representatives to the meeting, despite originally agreeing to attend.

Feb. 25, 2014: Philippines summons China's ambassador to Manila over allegations that a Chinese surveillance ship fired water cannons at Philippine fishing vessels near Scarborough Shoal. China dismisses the protest, saying its sovereignty in the area is "indisputable."

Feb. 27, 2014: China agrees to offer a \$2 billion loan to Myanmar to help build the "Myanmar-China Corridor," a new transportation route that would facilitate bilateral trade.

Feb. 27, 2014: China and Vietnam agree to set up a direct phone line between their defense ministries to help build communication and trust between the two militaries. They announce that the phone line will be operational within the year.

March 8, 2014: Malaysian Airlines flight 370 en route to Beijing goes missing shortly after its departure from Kuala Lumpur. A majority of the passengers on board are Chinese nationals.

March 9, 2014: Chinese Coast Guard vessels prevent two ships contracted by the Philippine Navy to deliver supplies and replacement troops to a Philippine outpost on the Second Thomas Shoal (Philippines: Ayungin Shoal, China: Ren'ai Reef), claiming the ships were carrying construction materials in violation of the 2002 Declaration on Conduct in the South China Sea.

March 10, 2014: Philippines airdrop supplies to soldiers stationed on Second Thomas Shoal.

March 11, 2014: Philippines summons Charge d'affaires from Chinese Embassy in Manila to protest blockade of its ships attempting to deliver supplies to soldiers on Second Thomas Shoal, saying that it had "no plans to expand or build permanent structures on the shoal."

March 12, 2014: A senior Indonesian military official publicly states that China's claim to the Natuna waters as part of Beijing's "nine-dash line" is arbitrary and insists that the Natuna Islands and the surrounding waters are part of Indonesia's sovereign territory.

March 17, 2014: Deputy Chief of the General Staff of the People's Liberation Army Sun Jianguo visits Phnom Penh and meets Gen. Pol Saroeun, commander in chief of the Royal Cambodian Armed Forces. They agree to deepen cooperation between the two armed forces and enhance the bilateral partnership with more frequent exchanges by senior military officials.

March 18, 2014: ASEAN and Chinese officials meet in Singapore for the 10th meeting of the Joint Working Group on the South China Sea. The talks seek to establish a code of conduct aimed at managing and reducing tensions in the South China Sea.

March 28-April 3, 2014: Ships from 17 nations including all 10 ASEAN members, China, India, Japan, New Zealand, Russia, South Korea, and the US participate in the biannual humanitarian assistance and disaster relief *Exercise Komodo* in Indonesian waters around the Natuna Islands.

April 11, 2014: Chinese President Xi Jinping meets Speaker of the Myanmar Parliament Thura U Shwe in Beijing. Xi expresses support for Myanmar's rotating chairmanship in ASEAN and pledges to work with Myanmar to strengthen regional cooperation.

April 18, 2014: Chinese Ministry of Foreign Affairs confirms media reports of violence on the China-Vietnam border. According to the *New York Times*, the incident involves several casualties, including five Chinese civilians and two Vietnamese border guards, during a clash between Vietnamese border guards and Chinese nationals attempting to illegally enter Vietnam.

April 19, 2014: The second meeting of the China-ASEAN ministers responsible for culture and arts and the sixth meeting of ASEAN cultural ministers are held in Hue, Vietnam. The ministers discuss an action plan to deepen cultural exchanges in the region.

April 21-22, 2014: People's Liberation Army Navy (PLAN) hosts the 14th annual meeting of the Western Pacific Naval Symposium in Qingdao, China. Member states endorse the Code for Unalerted Encounters at Sea (CUES), a navy-to-navy system communication system to reduce misunderstandings and avoid maritime accidents.

April 22, 2014: Senior Chinese and ASEAN officials meet in Thailand to discuss disaster relief, search and rescue, and humanitarian assistance as part of the China-ASEAN Maritime Cooperation Partnership. Chinese Vice Foreign Minister Liu Zhenmin agrees to enhance maritime and security cooperation in the South China Sea and to implement the Declaration on the Conduct of Parties in the South China Sea. Liu also proposes institutionalizing the China-ASEAN Defense Ministers' Meeting and suggests that an informal gathering of regional defense chiefs to take place later this year to discuss maritime cooperation.

April 24, 2014: In a commentary in the *Wall Street Journal*, Indonesia's defense minister says that Indonesia is "dismayed" that China has included Indonesian territory within its nine-dash-line claim to the South China Sea and is strengthening military forces to protect its territory.