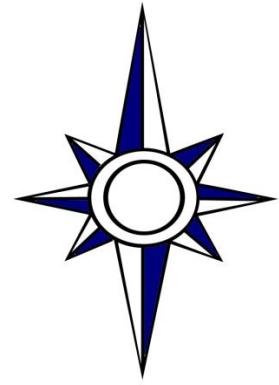


# Comparative Connections

A Triannual E-Journal on East Asian Bilateral Relations



**China-Southeast Asia Relations:**

## **Managing Rising Tensions in the South China Sea**

**Robert Sutter, George Washington University  
Chin-Hao Huang, University of Southern California**

The moderation and reassurance seen in the public posture of top-level Chinese civilian leaders in their attentive interaction with Southeast Asian countries in the first third of the year gave way to rising tensions and widely publicized disputes centered on differing claims in the South China Sea. Senior Chinese officials portrayed China as reactive and defensive in the face of increasing encroachment on the part of Vietnam and the Philippines in particular, and what they saw as self-serving meddling by the US. Despite often reassuring words, the pattern of Chinese behavior in disputed areas in recent months undermined regional and broader international sympathy for China's position. Vietnamese and Philippine oil exploration vessels met with intimidation by Chinese patrol vessels, and in the case of Vietnam, repeated damage to underwater survey gear. Some Vietnamese fishermen were beaten by Chinese authorities, and Philippine fishermen were shot at by Chinese patrol vessels. Based on available reporting, the various incidents followed a common practice of China using superior power and coercion to pressure and force perceived intruders to retreat.

Philippine and Vietnamese leaders were unusually outspoken in disputing Chinese actions and claims. Their efforts to mobilize support for a more unified effort in ASEAN to encourage China to moderate its actions and claims were duly criticized by Chinese official media. Also criticized were efforts to bring the disputes before the United Nations and to seek stronger support from the US and other concerned powers.

Some international media and experts forecast rising tensions leading to military conflict, but all sides strove to balance the public disputes and protests with active diplomacy to avoid conflict. Vietnamese and Philippine leaders, while condemning Chinese policies and practices, stayed in close contact with Chinese officials and engaged in positive negotiations and other interchanges. ASEAN and China reached a largely symbolic but nonetheless important agreement, establishing guidelines for implementing the 2002 ASEAN-China Declaration on Conduct of Parties in the South China Sea. The US and China carried out their first official dialogue dealing with Asia-Pacific issues including the South China Sea. Secretary of State Hillary Clinton followed her active participation at the ASEAN Regional Forum (ARF) in Indonesia during July with a special meeting with State Councilor Dai Bingguo in China. Chinese Defense Minister Liang Guanglie paid the first visit by a Chinese official of his rank to the annual Shangri-La Dialogue in Singapore in June, where he engaged in discussions on the South China Sea and consulted with US Defense Secretary Robert Gates. South China Sea issues also were a feature of commentary by US Chairman of the Joint Chiefs of Staff Adm. Michael Mullen and his Chinese counterpart, Gen. Chen Bingde, during Mullen's visit to China in July.

## **Incidents, disputes, and engagement**

The Philippines and China. The Philippines protested in March when two Chinese patrol vessels shadowed and attempted to intimidate a Philippine oil exploration ship in the Reed Bank area of the South China Sea. In late May, Philippine authorities again voiced concerns about Chinese ships unloading building materials and other supplies and erecting posts on reefs and banks claimed by Manila. In June, a Chinese patrol vessel reportedly fired at Philippine fishing vessels.

According to Philippine media, President Benigno Aquino used the ASEAN Summit in Indonesia on May 8 to press leaders of other Southeast Asian claimants to the South China Sea – Vietnam, Malaysia and Brunei – to join Manila in a “united position” against China. Other Philippine moves seeking leverage against China included Foreign Secretary Alberto del Rosario’s June visit to the United States where he received pledges of intelligence, military, and diplomatic support. An 11-day US-Philippine naval exercise near the South China Sea began in late June. Aquino pledged in July to bring the South China Sea dispute before the UN International Tribunal on the Law of the Sea.

At the same time, an emphasis on positive engagement prevailed when Philippine Defense Secretary Voltaire Gazmin met in Manila with visiting Chinese Defense Minister Liang in late May. Philippine media reported that Gazmin did not bring up the harassment incident in March or the presence of Chinese troops in other disputed South China Sea areas. The two leaders focused instead on mutual assurance. Similarly, Foreign Secretary del Rosario, fresh from his visit to Washington seeking support in facing China, reportedly emphasized the positive in his interchange with Foreign Minister Yang Jiechi and Vice President Xi Jinping during a visit to China in July. A joint news release said the two sides agreed not to let disagreements on maritime disputes affect the broader cooperative relationship – especially important in light of preparations for President Aquino’s anticipated visit to China later in the year. On Aug. 13, Aquino met a Chinese envoy visiting the Philippines to prepare for the president’s trip. Aquino began his official visit to China on Aug. 31 amid leadership and media commentary from both sides emphasizing positive engagement, especially trade and investment, while noting the continued importance of managing relations over territorial disputes

Vietnam and China. A similar mix of widely publicized incidents, protests, and disputes along with active engagement characterized Vietnam’s interaction with China. In mid-May, Vietnam’s Foreign Ministry protested China’s now annual imposition of a fishing ban in the South China Sea from May until August. In late May, it protested damage caused by Chinese ships to the equipment of a Vietnamese ship carrying out exploration for oil in the South China Sea; the Chinese responded by voicing strong opposition to the Vietnamese operations. In early June, Vietnamese officials protested Chinese naval ships using weapons to threaten Vietnamese fishermen in the Spratly Islands and the ramming of the survey cables of a Vietnamese ship engaged in exploration for oil in the South China Sea.

Against this background, Vietnam’s Prime Minister Nguyen Tan Dung on June 9 strongly affirmed Vietnam’s determination to support its claims to the disputed Spratly and Paracel Islands. Also in June, demonstrators protested in front of the Chinese embassy on successive weekends, Vietnam carried out live-fire exercises in the South China Sea, the government signed

regulations dealing with military conscription, and the Foreign Ministry publicly welcomed US involvement in helping to resolve the South China Sea disputes. In July, US Navy ships and personnel were welcomed in Vietnam for a military exercise, officials told foreign media that Chinese soldiers had pursued and beaten Vietnamese fishermen, and Vietnam publicly disputed China's interpretation of Prime Minister Pham Van Dong's 1958 diplomatic note to China, which China reportedly has used to justify its claims to disputed territory in the South China Sea.

Vietnam's engagement with China included a joint Vietnam-China patrol in the Gulf of Tonkin over two days in June, ending with a Vietnamese ship's port call in China. A Vietnamese "special envoy," Vice Foreign Minister Ho Xuan Son, met Dai Bingguo in Beijing in late June and agreed "to prevent words and actions that would be detrimental to the friendship and mutual trust between the peoples of the two countries," according to a Chinese press release. By mid-July, Vietnamese authorities took action to suppress the weekend demonstrations against the Chinese embassy. Foreign Minister Yang and his Vietnamese counterpart reportedly had a cordial meeting on the sidelines of the ARF on July 21. Vietnam's vice defense minister went to China in late August to hold the second Vietnam-China defense-security strategic dialogue. The officials pledged to resolve South China Sea issues peacefully.

That the engagement did not silence the public protests and complaints was seen in August when Vietnam's Foreign Ministry publicly protested a Chinese scientific ship conducting surveys in the disputed Spratly and Paracel Islands. The weekend protests against China in Vietnamese cities also resumed in August. The deployment of the aircraft carrier *USS George Washington* to Vietnam in August reinforced a view seen in official Chinese media that Vietnam was seeking closer security ties with the US to "pursue the balance of power as China's impact is growing in the region."

The United States and China. The enhanced US engagement with China over regional issues offset but did not mask the continued strong differences between the positions of the two powers over South China Sea issues. At the Shangri-La Dialogue in early June, Secretary Gates bluntly warned of more clashes as he underscored strong US interests in the South China Sea and determination to strengthen US military presence throughout the Asia-Pacific region. On the eve of his dialogue with US officials over Asia-Pacific issues, Chinese Vice Foreign Minister Cui Tiankai echoed prevailing Chinese commentary in calling on the US, "not a claimant state," to eschew involvement, which he said makes resolving South China Sea disputes "more complicated." China's Foreign Ministry criticized a joint US-Japan statement of June 21 that contained a passage advising China on how to deal with the South China Sea disputes. On June 27, the US Senate unanimously approved a resolution voicing "grave concern" over China's repeated use of force in defense of claims in the South China Sea.

In July, Gen. Chen Bingde used his meetings with Adm. Mullen to strongly reaffirm China's territorial claims, complain about US air and naval surveillance along the China coast, and label as inappropriate the US military exercises with the Philippines and Vietnam. Chinese official media also registered some criticism about the US exercises with Southeast Asian claimants in the South China Sea; the media added criticism of a US-Japan-Australian exercise in the South China Sea during July. Mullen underscored US determination to continue such actions, as did Secretary of State Clinton at meetings during the ARF in Indonesia. According to Western

media, Senators John Kerry and John McCain sent a private letter to Dai Bingguo warning that China's recent clashes with its neighbors in the South China Sea jeopardize "vital national interests of the United States."

US officials averred privately in late July that more US exercises are expected as the United States carries out a significant repositioning of its forces throughout the Asia-Pacific to include Southeast Asia and Australia. The deployment of the aircraft carrier *USS George Washington* off the coast of Vietnam in August fit the projected pattern of active US military exercises widely seen in official Chinese media as directed at China and contrary to Chinese interests. Chinese concern over the expansion of US regional involvement showed when Chinese media linked Secretary Clinton's call on India to lead in Asia during her visit there prior to the ARF with American activism over the South China Sea. Chinese commentary routinely portrays the US using regional developments like the South China Sea disputes as part of efforts to shore up its strategic position throughout the Asia-Pacific region.

ASEAN and China. ASEAN leaders tended to emphasize constructive interaction with China though they sometimes showed impatience with the slow pace of ASEAN-China negotiations on implementing the ASEAN-China Declaration on Conduct of Parties in the South China Sea. Occupying the ASEAN chairman position for this year, Indonesian President Susilo Bambang Yudhoyono urged accelerated progress at the ASEAN Summit in May. ASEAN defense leaders signed in Jakarta on May 19 a declaration that affirmed commitment to work toward the adoption of a regional code of conduct in the South China Sea. The agreement came one day before the defense leaders met visiting Chinese Defense Minister Liang Guanglie to discuss territorial disputes in the South China Sea. At meetings associated with the ARF in July, the Indonesian president once again urged faster action on implementing the Declaration on the Code of Conduct, and ASEAN Secretary General Surin Pitsuwan also called for faster action. Once the agreement on the guidelines was reached just prior to the ARF, all sides welcomed the accord, though Chinese and international media duly noted that the document appeared weak and there was "still a long way to go" before agreement could be reached on a binding code of conduct in the South China Sea.

Unlike the Philippines and Vietnam, Malaysia has tended in recent months to avoid overt confrontation with China over South China Sea issues. Prime Minister Najib Razak in a speech on June 3 emphasized the positive, affirming that "If we treat China in a very constructive, positive way, I'm more than convinced that the Chinese will respond positively to us."

Non-claimant Singapore saw former Prime Minister Lee Kuan Yew warmly received in Beijing in May by Vice President Xi Jinping, who emphasized China-ASEAN cooperation. In June, Singapore also received one of China's modern maritime patrol ships, *Haixun 31*, which traveled to the city-state after passing through the contested Spratly and Paracel Islands in the South China Sea. Coincident with the ship's arrival, and seemingly balancing a gesture to China with an expression of concern, Singapore's Foreign Ministry issued a statement calling on China "to clarify its claims in the South China Sea with more precision as the current ambiguity as to their extent has caused serious concerns in the international maritime community." Meanwhile, Lee Kuan Yew followed his visit to China with a speech in Japan where he urged an audience of

Asia-Pacific political and business leaders to encourage US involvement in the region because “only the United States” is capable of balancing a fully grown China.

Taiwan sustained a low profile as it periodically made the same claims as China regarding disputed territory in the South China Sea and other waters along China’s coast, and simultaneously sought to stay on good terms with the various East Asian countries that dispute China’s claims, and with powers like the US that have navigation and security interests opposed by China. In a move interpreted as a gesture to the US, Taiwan’s Foreign Ministry on June 7 issued a press release emphasizing support for the US position on the principle of “freedom of navigation.” On June 15, the spokesman of China’s Taiwan Affairs Office seemed to hint at possible China-Taiwan collaboration in support of Chinese claims to disputed territories when he said that “the people on both sides of the Taiwan Strait” have a shared responsibility to safeguard sovereignty over disputed islands and territory. Taiwan’s vice minister of defense said in a public meeting on July 19 that Taiwan would fully defend its claims to the disputed Spratly Islands in the South China Sea and would not “cooperate with China to reach a compromise of any kind on the Spratlys.” Media reports citing Taiwan defense officials said Taiwan was upgrading the military capabilities of government personnel stationed in the Spratlys, including provision of missile boats and tanks. The opposition Democratic Progressive Party cited the international salience of disputes in the South China Sea in a statement on July 23 urging use of a multilateral framework to deal with the disputes and due regard for provisions of the UN Convention on the Law of the Sea (UNCLOS) and the 2002 Declaration on Conduct of Parties in the South China Sea.

### **Chinese capabilities and claims**

Recent commentary in Chinese media and foreign expert assessments underline significant improvements in China’s growing ability to protect its claims in the South China Sea through expanding naval and other government forces. At the same time, the repeated claims by Chinese officials and media regarding Chinese territory covering most of the South China Sea have been challenged. Most notably, calls by other claimants, the US, and other concerned powers on the need to abide by provisions of the United Nations Convention on the Laws of the Seas (UNCLOS) appear to undercut and place on the defensive Chinese claims to the South China Sea based on “historic” precedent.

China’s greater focus on protecting its maritime interests was reflected in the 12<sup>th</sup> Five-Year Plan, released in March 2011, which for the first time incorporated maritime development guidelines into a single chapter. To protect these interests, the Chinese Navy engages in periodic exercises in the South China Sea and other coastal waters. Perhaps of equal importance is the buildup of China’s off-shore surveillance force. According to a review in *China Daily* on June 17, personnel in this work will rise from 9,000 in 2011 to 15,000 in 2020. In comparison to nine surveillance planes and 260 surveillance vessels in 2011, by 2015, there will be a force of 16 surveillance planes and 350 patrol vessels. The report highlighted the construction of 36 patrol ships and 54 speedboats in 2010. It also highlighted the voyage of *Haixun 31* to Singapore, noting that the 3,000-ton vessel was China’s largest civilian maritime ship and was equipped for helicopter use.

The reason for the buildup of the surveillance force was “an increasing number of intrusions by foreign vessels and planes into Chinese waters and airspace,” according to a Chinese official cited by *China Daily*. The official said that in 2010 there were 1,303 intrusions by foreign ships and 214 intrusions by foreign planes, compared with a combined total of 110 intrusions in 2007.

Widely seen to aid China’s ability to protect claims in the South China Sea and other waters is the construction of Chinese aircraft carriers. *China Daily* on July 12 said that Gen. Chen Bingde, in remarks occasioned by the visit of Adm. Mullen, provided the first public confirmation by a top military official that China is building an aircraft carrier. The newspaper’s report also cited Chinese experts for the view that there will be a “prolonged process” before the carrier can be even “remotely effective.” It added a report that Chen had disclosed earlier that China had begun construction of another aircraft carrier.

By the end of July, official Chinese media was full of reports about the new Chinese aircraft carrier as it took to sea for testing its abilities. The reports tended to emphasize the scientific, research, and training purposes of the carrier, though its utility in dealing with military and other disputes also was noted. One prominent commentator noted that China needs “not less than three” carriers in order to “defend our rights and our maritime interests effectively.” Official media also highlighted what they characterized as the “mixed” reactions abroad to the aircraft carrier. Vietnam’s Foreign Ministry spokesperson seemed to capture regional wariness about the development in responding to a question about China’s carrier by noting that “we hope that China, as a major power, will contribute positively and responsibly to maintain peace and stability in the region and the world.”

The periodic justifications of China’s claims to the South China Sea in recent Chinese officials’ comments and media have focused on China’s “historic title” to the South China Sea. Notably, Foreign Minister Yang Jiechi at the ARF on July 23 countered arguments by the Secretary of State Clinton and supported by others that all claimants in the South China Sea need to clarify their claims consistent with customary international law, and that the claims to maritime space need to be based solely on legitimate claims to land features. Consistent with prevailing Chinese commentary, Yang argued that China’s broad claim to most of the South China Sea is “based on historical facts.”

A carefully argued opinion editorial “Claim over islands legitimate” in *China Daily* on July 22 by a border expert at the Chinese Academy of Social Sciences endeavored to explain China’s broad South China Sea claim seen in a U-shaped nine-dotted line on Chinese maps that includes the major features in the South China Sea, including the disputed Spratly and Paracel Islands. The author said the claims are justified as “Chinese people first sailed in the waters off the islands more than 2,000 years ago, and discovered and named the islands, and exercised jurisdiction over them.” The editorial noted that the 1982 United Nations Convention on the Laws of the Sea (UNCLOS) does not specifically talk about historic title, but advised that Article 15 of the convention says: “The above provision does not apply, however, where it is necessary by reasons of historic title or other special circumstances to delimit the territorial seas of the two States in a way which is at variance therewith.” In an allusion to calls for abiding by provisions of UNCLOS in dealing with South China Sea disputes, the author concluded that concerned

powers “should understand that the convention is just one of the international laws of the sea, not the only one, and thus should stop questioning the legitimacy of China’s nine-dotted line.”

### **Australia’s strategy debate**

The rising tensions in the nearby South China Sea have provided added salience to the ongoing public debate among security specialists, media commentators, and other observers in Australia on how closely Australia should align with the US and build up its own forces in the face of China’s growing military and other power in the region. In the lead-up to the annual US-Australian defense and foreign ministers’ meetings in September, former Australian government strategist Hugh White judged that China seems prepared to risk confrontation and incidents with the US in the South China Sea and other nearby waters and warned of the danger of such unmanaged great power rivalry. White has argued that the US should be encouraged by Australia and others to give priority to accommodating rather than countering the realities of Chinese power. Disagreeing with White are commentators associated with the recent Australian defense plan to build more submarines and other expensive military forces and to work more closely with the US in dealing with China’s military rise. In July, veteran Australian defense strategist Paul Dibb argued that China’s rise to anything close to a serious military competitor with the US is far off, and it is therefore premature to consider special efforts by Australia to either accommodate or balance against China’s military rise.

### **China-Myanmar relations**

Chinese and Myanmar leaders continued to advance relations with high-level meetings that solidified China’s place as Myanmar’s leading foreign partner. Chinese Communist Party Politburo Standing Committee member Jia Qinglin’s journey to the Myanmar capital in April marked the first visit of a senior foreign leader to the country to congratulate the newly established Myanmar government. In May, Xu Caihou, vice chairman of China’s Central Military Commission, traveled to the capital with a three-point proposal to strengthen ties between the armed forces of the two countries. Myanmar President Thein Sein made his first trip abroad, traveling to Beijing in late May to meet President Hu Jintao. The agreements signed during the visit involved economic assistance from China designed to solidify closer ties between the two countries. According to Chinese media, two-way trade grew 53 percent in 2010, reaching a value of \$4.4 billion.

The two presidents also reportedly agreed “to maintain stability on the border.” Myanmar efforts to control and disarm some ethnic-based independent security forces along a section of the border with China caused tens of thousands of refugees to seek temporary safety in China in 2009. The result posed serious complications for China’s domestic stability, its relations with the Myanmar security forces and government administration, and its ability to carry out smoothly economic interchange and development projects with Myanmar. This year, tensions between Myanmar security forces and another ethnic-based independent security force along another section of the border with China have complicated a large Chinese dam project in Myanmar; they also have reinforced Chinese concerns about sustaining border stability, cross border trade, and developing constructive relations with the Myanmar administration.

## Outlook

The high-level engagement between China, its neighbors, and the US, will move into higher gear later this year, notably with the regional leaders meetings at APEC and the East Asian Summit. Whether South China Sea disputes figure prominently in these deliberations will depend on how much emphasis the concerned parties devote to pressure and protests supporting their disputed claims versus how much emphasis they give to reassuring one another in the interest of improving relations and regional stability. Both the path of reassuring engagement and the path of pressure and protest have been actively employed in recent months. Given the number of contentious issues and range of governments involved in the South China Sea, prudence does not allow a clear forecast; interested observers will have to wait to see what the outcome of the meetings will be regarding China-Southeast Asian disputes.

## Chronology of China-Southeast Asia Relations May – August 2011

**May 2, 2011:** According to China's State Oceanic Administration, Beijing and Jakarta jointly establish an oceanic observation station off the coast of West Sumatra, Indonesia. Scientists will monitor and manage the station to help protect the oceanic environment and fishery resources and address natural disaster challenges.

**May 12, 2011:** Xu Caihou, vice chair of China's Central Military Commission, visits Myanmar and meets counterpart Min Aung Hlaing. They hold talks to strengthen ties between the armed forces and exchange views on regional and international peace and security.

**May 16, 2011:** Chinese Defense Minister Liang Guanglie, visits Singapore, meeting Prime Minister Lee Hsien Loong and Defense Minister Ng Eng Hen. They agree to increase exchanges between the military and defense establishments to include military training, and cooperate more closely on nontraditional security issues within regional and multilateral frameworks.

**May 20, 2011:** Defense Minister Liang visits Indonesia and meets counterpart Purnomo Yusgiantoro to discuss bilateral cooperation to help promote regional peace and stability.

**May 21, 2011:** Defense Minister Liang arrives in Manila and meets Philippine counterpart Voltaire Gazmin to discuss bilateral military exchanges.

**May 21, 2011:** *The Jakarta Post* reports that the Chinese delegation participating in the ASEAN Defense Ministers Meeting said that China would offer to hold joint patrols with Southeast Asian countries and to escort vessels from the region crossing the Gulf of Aden. Also on the sidelines of the meeting, Chinese and Indonesian defense officials announce plans to establish a joint committee to serve as a legal basis to conduct coordinated patrols and direct channels of communication between the two navies in the South China Sea.



**May 22-25, 2011:** China's Defense Minister Liang Guanglie visits the Philippines. He and Philippine counterpart Voltaire Gazmin agree to avoid "unilateral actions" that could further increase tensions and acknowledge the need to ensure that the South China Sea remains stable.

**May 24, 2011:** Wan Jifei, president of the China Chamber of International Commerce, and Cambodian Minister of Commerce Cham Prasidh sign a memorandum of understanding that would strengthen and expand bilateral trade cooperation, with the aim of reaching \$2.5 billion in two-way trade in 2012.

**May 27, 2011:** President Hu Jintao meets Myanmar's newly-elected President Thein Sein in Beijing. They issue a joint declaration, agreeing to maintain high-level exchanges and visits, increase mutual trust, maintain regular dialogue on regional security issues, including border security, and elevate the overall bilateral business, trade, and economic activities.

**May 27, 2011:** Vietnam accuses Beijing of "violating" its marine sovereignty in disputed areas of the South China Sea after Chinese ships damaged a PetroVietnam exploration boat. Vietnam's Foreign Ministry calls on China to prevent any further incidents and provide compensation.

**May 28, 2011:** China's Foreign Ministry states that Vietnam's oil and gas operations in China's territorial waters "harms China's rights, interests, and jurisdiction in the South China Sea and violates the consensus reached by the two countries on the South China Sea issue."

**May 29, 2011:** Jiang Shusheng, vice chair of China's National People's Congress, visits Manila and meets Vice President Jejomar Binay. Jiang assures that bilateral relations will not be adversely affected by the ongoing dispute over the Spratly Islands.

**June 5, 2011:** Defense Minister Liang Guanglie arrives in Singapore to attend and speak at the Shangri-La Dialogue, becoming the first Chinese defense minister to take part in the dialogue.

**June 6, 2011:** Special forces from China's People's Liberation Army and Indonesia's National Armed Forces launch their first joint training, *Sharp Knife 2011*, in Bandung, Indonesia.

**June 6-11, 2011:** The ASEAN Regional Forum (ARF) Senior Officials Meeting (SOM) and the Defense Officials Dialogue/8<sup>th</sup> ARF Security Policy Conference are held in Surabaya, Indonesia.

**June 13, 2011:** Vietnam conducts live-fire naval drills in the South China Sea about 40 km off Quang Nam province in central Vietnam.

**June 14-16, 2011:** China stages military exercises in the South China Sea described as being aimed at "defending atolls and protecting sea lanes."

**June 19, 2011:** Chinese patrol ship *Haixun 31* arrives in Singapore for a port call. Authorities from both sides explain that the visit is part of a range of existing bilateral exchanges on technical cooperation on maritime safety and marine environmental protection.

**June 19-20, 2011:** China and Vietnam conduct joint naval patrols in the Gulf of Tonkin, which is part of the bilateral annual exchange agreement. According to the Chinese Defense Ministry website, they have conducted 10 similar joint naval patrols since 2005.

**July 19-21, 2011:** The 44<sup>th</sup> ASEAN Ministerial Meeting (AMM) and Post-Ministerial Conferences (PMC) with ASEAN dialogue partners are held in Bali.

**July 20, 2011:** China and ASEAN agree to a set of guidelines that would be part of a revised Code of Conduct on the South China Sea disputes. Secretary of State Clinton praises the new guidelines as “an important first step.”

**June 21, 2011:** Vice President Xi Jinping meets Tea Banh, Cambodia’s deputy prime minister and minister of national defense, in Beijing. They agree to deepen mutual trust and expand cooperation in the economic, cultural, educational, and security sectors.

**June 27, 2011:** State Councilor Dai Bingguo meets Ho Xuan Son, special envoy and vice foreign minister of Vietnam, in Beijing. They agree to hold talks to manage and resolve the disputes over the South China Sea and to implement effective measures to help carry out the 2002 Declaration on the Conduct of Parties in the South China Sea.

**June 28, 2011:** Bu Jianguo, Chinese ambassador to Laos, delivers a public lecture at the Lao National Institute for Politics and Administration in Vientiane. Bu announces that bilateral relations will further expand as the two sides continue to maintain high-level exchange visits, coordinate and communicate on issues of regional and international importance, and further party cadre training between the two sides.

**July 21-23, 2011:** Foreign Minister Yang Jiechi attends the ASEAN-China Foreign Ministerial meeting as well as the ARF in Indonesia. Yang expresses confidence that the interested parties in the South China Sea dispute will promote pragmatic maritime cooperation while resolving differences through continued dialogue and consultation.

**July 25, 2011:** Chief of the General Staff of the PLA Chen Bingde, meets Songkitti Jaggabatarata, Thailand’s chief of defense forces, in Beijing. They review military ties, noting that joint military exercises and drills, personnel training, and technology transfers have helped to deepen bilateral relations.

**July 27, 2011:** Chinese President Hu Jintao sends a congratulatory message to Truong Tan Sang, the new Vietnamese president elected by the Vietnamese National Assembly.

**July 28, 2011:** China and Singapore hold the Eighth Joint Council Meeting for Bilateral Cooperation in Singapore. The meeting is chaired by Chinese Vice Premier Wang Qishan and Singaporean Deputy Prime Minister Teo Chee Hean. They acknowledge that two-way trade volume has grown to nearly \$60 billion in 2010.

**Aug. 5, 2011:** Chinese Premier Wen Jiabao sends a congratulatory message to Yingluck Shinawatra, the newly elected prime minister of Thailand.

**Aug. 12, 2011:** Foreign Minister Yang Jiechi and ASEAN Secretary General Surin Pitsuwan exchange congratulatory messages recognizing the 20<sup>th</sup> anniversary of China-ASEAN dialogue.

**Aug. 19, 2011:** The Sixth Pan-Beibu Gulf Economic Cooperation Forum convenes in Nanning, China's Guangxi Zhuang Autonomous Region. According to Chinese trade statistics, China-ASEAN trade jumped by almost 36 percent last year compared to 2009 and will soon exceed \$290 billion. China's direct investment in ASEAN has also exceeded \$10 billion. Chinese officials note that closer regional economic integration will help weather the global financial crisis and economic downturn.

**Aug. 19-21, 2011:** Zhou Yongkang, ranking member of the Central Committee Political Bureau Standing Committee, visits Laos and Cambodia. In Laos, Zhou meets Laotian senior party leadership and signs 11 cooperation agreements, including the Economic and Technological Cooperation Agreement. In Cambodia, Zhou meets Cambodian King Norodom Sihamoni, and the two sides discuss prospects for consolidating the comprehensive strategic partnership between China and Cambodia.

**Aug. 21, 2011:** Police in Hanoi arrest dozens of people at an anti-China rally as they gathered for the 11<sup>th</sup> week of protests.

**Aug. 29, 2011:** PLA Deputy Chief of Staff Lt. Gen. Ma Xiaotian and Defense Minister Liang Guanglie meet Vietnamese Vice Defense Minister Nguyen Chi Vinh in Beijing. They agree to resolve the South China Sea disputes through continued consultation and dialogue.

**Aug. 31, 2011:** President Hu Jintao meets Philippine President Benigno Aquino III in Beijing. Aquino is accompanied by over 250 business leaders from the Philippines and talks focus on boosting bilateral economic and trade cooperation.