Security Council
Question of Militarization of the Spratly and Paracel Islands

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Introduction

The Spratly and Paracel islands have passed through multiple hands, and the question of sovereignty over them is hotly disputed, indeed, China and Vietnam have both been vigorous in prosecuting their claims. Approximately equidistant from the coastlines of China (PRC) and Vietnam with no native population, the Paracel archipelagos ownership has been in dispute since the early 20th century. China and Vietnam have clashed militarily on three occasions. Diplomatic relations have since been normalized, yet tensions remain extremely high and closure is not attained. The dispute is characterised by diplomatic stalemate and the employment of low-level military pressure techniques such as military occupation of disputed territory) in the advancement of national territorial claims.

Alongside the islands, there are outcrops, atolls, sandbanks and reefs, such as the Scarborough Shoal. Although largely uninhabited, the Paracels and the Spratlys may have reserves of natural resources around them. There has been little detailed exploration of the area, so estimates are largely extrapolated from the mineral wealth of neighbouring areas. The sea is also a major shipping route and home to fishing grounds that supply the livelihoods of people across the region.

China claims by far the largest portion of territory defining an area with a "nine-dash line" in 1947. A 1992 Chinese law restated its claims in the region, and again in May 1996 China issued a "Declaration on the Baselines of the Territorial Sea" which established straight baselines for most of the Chinese coastline and the Paracel Islands. Vietnam also claimed the Paracel Islands, and protested this and other Chinese claims to the UN in June 1996. Vietnam hotly disputes China's historical account, saying China had never claimed sovereignty over the islands before the 1940s. Vietnam says it has actively ruled over both the Paracels and the Spratlys since the 17th Century - and has the documents to prove it. The other major claimant in the area is the Philippines, which invokes its geographical proximity to the Spratly Islands as the main basis of its claim for part of the grouping. Both the Philippines and China lay claim to the Scarborough Shoal a little more than 100 miles from the Philippines and 500 miles from China. Malaysia and Brunei also lay claim to territory in the South China Sea that they say falls within their economic exclusion zones, as
An immediate source of conflict in the region is competition over resources. There are roughly half a billion people who live within 100 miles of the South China Sea coastline, and the volume of shipping through its waters has increased dramatically as China and ASEAN nations increase international trade and oil imports. The need for resources, especially hydrocarbons and fisheries, also has intensified economic competition in the region, particularly given the rapid coastal urbanization of China. The strategic positioning of the islands, in addition to the resources, makes them all the more desirable. It’s increasingly clear that China intends to use its artificial islands in the South China Sea for military purposes. China is not denying this fact, but instead emphasising plans to provide public goods such as maritime search and rescue, disaster prevention and mitigation and meteorological observation. The use of these islands for military purposes would have incredible influence on the future of the region, but also the rest of the world. For example, this could have implications for a US effort to come to Taiwan's defence.

The islands are particularly strategic to China, now building on the Paracels and Spratlys. As Vietnam’s Communist Party Chief Nguyen Phu Trong met with President Xi Jinping in Beijing, China’s government news service Xinhua reported a“deep-rooted partnership”, as 400 kilometers off Vietnam’s coast, in the Paracel Islands, China was rapidly consolidating its hold on islands that both countries vehemently claim as their own through land reclamation and militarization of said land.

China is unlikely to instigate an interruption in traffic because its business, exploration, and importation rely entirely on freedom of navigation as well. Experts argue that the mutual benefits from regional economic integration provide an extremely compelling incentive for cooperation on resources, conservation, and security movements.
Definition of Key Terms

➔ nine-dash line: The nine-dotted line, nine-dashed line, U-shaped line, nine-dash map and similar names, including (Chinese: 南海九段线; pinyin: nánhǎi jiǔduàn xiàn; literally: "Nine-segment line of the South China Sea"; Vietnamese: Đường lưỡi bò; literally: "cow's tongue line"), (and at various times also referred to by names such as "The 10-dash line" and "The 11-dash line", refer to the demarcation line used initially by the government of the Republic of China (ROC / Taiwan), and subsequently also by the government of the People's Republic of China (PRC), for their claims of the major part of the South China Sea (SCS). The contested area in the SCS includes the Paracel Islands, the Spratly Islands, and various other areas including the Pratas Islands, the Macclesfield Bank and the Scarborough Shoal. The claim encompasses the area of Chinese land reclamation known as the "great wall of sand".

➔ militarization: act of assembling and putting into readiness for war or other emergency: "mobilization of the troops", to put weapons and military forces in (an area) : to give a military quality or character to (something)

➔ Air Defense Identification Zone: An Air Defense Identification Zone (ADIZ) is airspace over land or water in which the identification, location, and control of civil aircraft is required in the interest of national security.

➔ Exclusive Economic Zone (EEZ) is a concept adopted at the Third United Nations Conference on the Law of the Sea (1982), whereby a coastal State assumes jurisdiction over the exploration and exploitation of marine resources in its adjacent section of the continental shelf, taken to be a band extending 200 miles.

➔ UNCLOS: The 1982 United Nations Convention on the Law of the Sea is the most comprehensive attempt at creating a unified regime for governance of the rights of nations with respect to the world's
High-resolution satellite images from March 17 show that Woody Island, occupied by China since 1956, is undergoing a major expansion of its runway and airport facilities. Within the past five months, a 2,400-meter airstrip has been completely replaced with a new concrete runway measuring 2,920 meters in length, accompanied by a new taxiway, expanded runway aprons and adjacent large buildings under construction. Additional land reclamation is also underway on Woody Island, called Yongxing Dao in Chinese and Đảo Phú Lâm in Vietnamese. Eighty kilometers southwest of Woody, on Duncan Island (seized by China from Vietnam in 1974) satellite images show landfill that has increased the size of the island by approximately 50 percent since April 2014. Known as Chenhang Dao in Chinese and Đảo Quang Hảo in Vietnamese, the island houses a military garrison, four radar domes, a concrete manufacturing plant, and a port that has recently been expanded via dredging and coral cutting. A reinforced sea wall is being constructed around recent landfill. New buildings have also appeared on nearby Drummond Island, occupied by China.

First, the outposts in the Spratly Island chain will undoubtedly be equipped with radars and electronic listening equipment that will enhance China's intelligence, surveillance and reconnaissance and maritime domain awareness capabilities. The newly built 10,000-foot runway on Fiery Cross Reef will accommodate virtually every aircraft in China's inventory, and hangers are being built that appear designed to host tactical fighter aircraft. China will be able to operate surveillance aircraft, airborne early warning and control aircraft, unmanned aircraft, transport planes, tanker aircraft and fighters. Depending on what platforms and systems are deployed on these outposts, China could have the ability to monitor most, if not all, of the South China Sea on a 24/7 basis. These enhanced capabilities will provide China with advantages over its weaker neighbours and pose challenges to US military activities in the region.

China may declare an Air Defense Identification Zone (ADIZ) over part or all of the area within its nine-dashed line claim. To enforce such a zone would require several airstrips in various locations in the South China Sea. China has been expanding its runway on Woody Island in the Paracel group from approximately 7500 feet to almost 10,000 feet. Recent satellite imagery indicates that China may be preparing to build yet another airstrip on Subi Reef in the Spratly chain. In November 2013, China unilaterally set up an ADIZ in disputed waters in the East China Sea. At the time, a PLA major general confided to me that the Chinese military has long had plans to establish an ADIZ in all of China's near seas, including the East China Sea, Yellow Sea, and South China Sea. China will likely use the Spratly outposts to extend its anti-access/area denial envelope farther southward and eastward into the Philippines Sea and the Sulu Sea. Runways will enable the People's Liberation Army, Navy and Air Force to extend the operational ranges of aircraft based on the mainland and Hainan Island to encompass the entire South China Sea and beyond. Chinese capability to observe and respond to US military operations in the region will be significantly increased. Chinese aircraft will be positioned to intercept US and other foreign aircraft far from the Chinese coastline. The time required for Chinese aircraft and ships to reach the Malacca Straits, in the event of a blockade of this major trade artery, will be significantly reduced. The US has not yet seen China place anti-ship cruise missiles or supporting gear on the islands, but such capabilities could be deployed in the near future along with surface-to-air missiles. In addition, the harbour at Fiery Cross Reef is better suited to submarine basing than the shallow waters at Hainan Island where the PLAN's fleet is currently based.
The region has also seen increased militarization in response to China's burgeoning power, raising the stakes of a potential armed conflict and making disputes more difficult to resolve. Vietnam and Malaysia have led regional military builds and increased arms trade with countries like Russia and India, while the Philippines doubled its defense budget in 2011 and pledged five-year joint military exercises with the United States.

The Philippines also embarked on a modernization program costing roughly $1 billion that will rely heavily on U.S. sales of cutters and potentially fighter jets. Much attention has been focused in recent weeks on China’s exceedingly rapid land reclamation and construction on at least seven disputed reefs further south in the South China Sea, within the Spratly Island group. China’s land grab for these reefs and atolls, variously claimed by Vietnam, the Philippines, China, Taiwan, Malaysia and Brunei, meets with little to no resistance; in the Paracels, even less so. Yes, in the past few months there has been a dialogue regarding a possible strategic partnership between Vietnam and the Philippines, the latter being especially alarmed by China’s reef takeovers in waters close to its shores. The U.S. has partially lifted its embargo on weapon sales to Vietnam, which is bolstering its navy, receiving patrol boats donated by Japan, and acquiring six kilo-class submarines from Russia. The Philippines has reopened its Subic Bay base to U.S. Navy vessels, and Manila is seeking redress in a UNCLOS arbitration case against China.
Major Parties involved

**China**: claims all islands in the Spratly region. According to Marcus Hall's "Trouble Brewing in the South China Sea" assessment, China entered the dispute in three phases. The first phase encompassed China's claim to the Paracel Islands (which are north of the Spratly Islands) in the 1950s. The second phase took place in 1974, when China seized the Paracel Islands from Vietnam. The third phase began on 14 March 1988, with China's military engagement with Vietnamese forces over the removal of China's flag from a newly claimed shoal. The military clash resulted in China gaining possession of 6 islands in the Spratly region. China's claim to all islands in the Spratly archipelago stems from its historical presence in the region, dating as far back as the Han dynasty of the 2nd century, BC. According to Marcus Hall's evaluation, China's historical claim is dubious and neglects similar historical claims by Taiwan, Vietnam and Malaysia. Moreover, China's historical interpretation of its sovereignty rights ignores current international law.

**The Philippines**: claim approximately 60 of islands in the Spratly region. Joint exploration with Royal Dutch/Shell Group and Alcorn International near the Palawan Island will raise the Philippines annual oil production from the 3,000 b/d produced in 1991 from 7 wells in the South China Sea.

**Vietnam**: claims part of islands in the Spratly region. Vietnam's only oil well in production as of 1991 is the White Tiger field, 400 km west of the Crestone block. In 1992, however, Vietnam hastened leasing to foreign exploration.

**Taiwan**: claims all islands in the Spratly region. The Spratly Islands are strategically important to Taiwan for two reasons: important shipping lanes pass through waters surrounding the Spratly Islands; and, the South China Sea, in general, is fish abundant. Thus, Taiwan feels compelled to protect its interests. Furthermore, if China has this crucial outpost in the south China sea, foreign aid such as that of the USA would have to pass through Chinese waters.

**Malaysia**: is the earliest oil operator in the sea and claims 3 islands and 4 rock groups in the Spratly region. As of 1992, Malaysia was running 90 oil-producing wells, with $210 million planned for further development between 1992 and 1995.

**Brunei**: claims the Louisa Reef in the Spratly region, located adjacent to its coastline. Brunei became an active player in the Spratly disputes only within recent years. Production of its 9 oil fields in the South China Sea hovers around 143,000 b/d.
Indirect Actors:

The United States: The U.S. pivot to the area, coupled with the region's myriad conflicts, raises concerns about the future of U.S. interests in Southeast Asia. The Obama administration has not only worked to strengthen ties with ASEAN, but has also forged tighter relations with individual countries like Myanmar, where it has developed a new focus and strategy of engagement. The United States has also ramped up security cooperation with Vietnam, while Malaysia and Singapore have also signaled desire for increased security cooperation.

The United States could become involved on commercial and military fronts. U.S. businesses participating in offshore exploration in the disputed islands have a commercial stake in how inter-state tension and disputed claims are resolved. On the military side, the United States has a mutual defense pact with the Philippines, yet analysts indicate the Spratly disputes are unlikely to invoke the pact. The United States would, however, likely take action if maritime activity was restricted in a manner inconsistent with international law.

An additional concern for the USA is the following. If a military conflict were to break out, the land features as well as the ships and aircraft operating from them would be vulnerable to attack, but in peacetime and in a crisis, they will provide China with the capability to hold US forces at risk at a farther distance than it can at present. This could have implications for a US effort to come to Taiwan's defence. A US carrier battle group sailing from the Arabian Gulf or Indian Ocean that was coming to Taiwan's aid would have to pass through the South China Sea. In addition, in wartime, the need to attack these sites and the aircraft and ships deploying from them would divert US assets from performing other missions.

Japan: Like the United States, Japan has a vested interest in the resolution of the Spratly disputes. The disputed region is located near Japan's principal oil imports' shipping lanes. Moreover, Japanese companies are involved in some of the exploration endeavors in the disputed territory.

ASEAN members: ASEAN members are concerned that the U.S. withdrawal of military troops from the region and the Soviet Union's disintegration will leave the region without a counterbalance to China. Although many western analysts view China's military capabilities as obsolete, China's military might in the ASEAN region is still superior, both quantitatively and qualitatively.
1934-1944 During WWII, Japan displaced the French and occupied the Spratly Islands, using the islands as a submarine base. After the war, neither the French nor the Japanese returned to the islands.

1968 The Philippines take control of 3 islands.

1973 South Vietnam possessed 5 islands in the Spratlys

In 1974 the Chinese seized the Paracels from Vietnam, killing more than 70 Vietnamese troops.

1978 The Philippines extend an official claim to islands east of the Spratlys, naming them the Freedom Islands. China removes 6 Spratly atolls from Vietnam’s possession.

1988 China and Vietnam become military engaged over Johnson Reef. China retains occupation of the reef. By April, Vietnam expands claims to include 15 additional reefs. China occupies 6 isles. China "punished" Vietnam for attempting to set up a military presence on the disputed islands, and noting that the Moros and China maintained peaceful relations, while on the other hand the Moros had to resist other colonial powers, having to fight the Spanish, fight the Americans, and fight the Japanese, in addition to fighting the Philippines.

1992 The Manila declaration was drafted and claimants agreed to peaceful resolution of the disputes.

1992 On 25 February 1992, China passed the "Territorial Sea and Contiguous Zones" Law, laying claim to all Spratly islands, as well as several other archipelagos.

1992 In May, China National Offshore Oil Corp. signed a joint exploration contract with Crestone Energy Corp. for the 25,1255 sq km Wan’an Bei-21 block in the Spratly Islands. Exploration is set to begin in 1994. Vietnam vehemently opposes this contract.

1992 In July, China occupied Da Lac Reef, serving as its first military presence since the 1988 clash with Vietnam.

1992 In September, China drills on the Vietnamese side of the Gulf of Tonkin median line, violating the 1972 agreement not to drill in disputed waters.

1994 In November, Exxon concludes a US$35 billions gas field exploration deal in the area north of Natuna Island, a region partly claimed by China. Vietnam signs an exploration deal with Mobil in Vietnam’s EEZ, but in waters also claimed by China.

1995 In February, China occupied the Philippine-claimed Mischief Reef in the Spratly Islands.

1995 In March, the Philippine forces seize Chinese fishing boats and destroy Chinese markers on Mischief Reef.

1996 Vietnam’s PetroVietnam signed a deal with the U.S.-based Conoco oil company to explore waters 400 km southeast of Ho Chi Minh City.

1997 In March, China allegedly began operating the Kan Tan III oil rig in an area north of the Spratly Islands, but within Vietnam’s EEZ.

July 2010, US Secretary of State Hillary Clinton called for the Peoples Republic of China to resolve the territorial dispute. China responded by demanding the US keep out of the issue. This

In early 2012, China and the Philippines engaged in a lengthy maritime stand-off, accusing each other of intrusions in the Scarborough Shoal.

In July 2012 China angered Vietnam and the Philippines when it formally created Sansha city, an administrative body with its headquarters in the Paracels which it says oversees Chinese territory in the South China Sea.

Unverified claims that the Chinese navy sabotaged two Vietnamese exploration operations in late 2012 led to large anti-China protests on Vietnam’s streets.

In January 2013, Manila said it was taking China to a UN tribunal under the auspices of the UN Convention on the Laws of the Sea, to challenge its claims.

In May 2014, the introduction by China of a drilling rig into waters near the Paracel Islands led to multiple collisions between Vietnamese and Chinese ships.

In April 2015, satellite images showed China building an airstrip on reclaimed land in the Spratlys.
UN Involvement

During the Second World War, the Japanese defeated the occupying French troops and took control of the islands. At the war's end, the government of the Republic of China gained the Paracels, Spratlys and other islands in the South China Sea in October and November 1946. In the Geneva accords of 1954, Japan formally renounced all claims inter alia to the South China Sea islands it had occupied during the war.

At the San Francisco Conference of 1951, in response to the Soviet Union delegation's request to revise the text of the Treaty to recognise the islands group of Paracels and Spratlys as the People's Republic of China's territories, 48 out of 51 delegations voted against.

In January 2013, The Philippines government said it will take China to a UN tribunal under the auspices of the United Nations Convention on the Law of the Sea, to challenge its claims in the South China Sea. China has repeatedly rejected the mechanisms for arbitration provided by the UN.

ASEAN has been the main conflict mitigator as the country's interests are of primary importance. As much as 50 percent of global oil tanker shipments pass through the South China Sea. As intra-ASEAN trade has markedly increased—from 29 percent of total ASEAN trade in 1980 to 41 percent in 2009—maintaining freedom of navigation has become of paramount importance for the region. ASEAN in general, and Malaysia in particular, has been keen to ensure that the territorial disputes within the South China Sea do not escalate into armed conflict. As such, Joint Development Authorities have been set up in areas of overlapping claims to jointly develop the area and dividing the profits equally without settling the issue of sovereignty over the area. This is true, particularly in the Gulf of Thailand. Generally, China has preferred to resolve competing claims bi-laterally, while some ASEAN countries prefer multi-lateral talks, believing that they are disadvantaged in bi-lateral negotiations with the much larger China and that because many countries claim the same territory only multilateral talks could effectively resolve the competing claims. A July 2012 ASEAN summit attempted to address ways to mitigate the conflict but ended without producing a communiqué, which some experts say highlights the difficulties of multilateral approaches in the region. ASEAN's six-point statement in July made no reference to specific incidents, and only outlined an agreement to draft and implement a regional code of conduct, respect international law, and exercise self-restraint.
Possible Solutions

Joint management of resources has been widely proposed by experts as the best way to ease current tensions, according to the ICG. China and Vietnam have managed to cooperate on a common fishery zone in the Tonkin Gulf, where the two countries have delineated claims and regulated fishing. However, oil development has remained a highly contentious issue, as both Vietnam and the Philippines have gone ahead with gas exploration projects with foreign companies in disputed areas.

One might call for China to halt its artificial island building in the Spratlys but such a call have not yet been heeded. Completing the island projects as quickly as possible is apparently a high priority for Beijing, given the frenetic pace of dredging in the past year and half. However, there is still a possibility to put a cap on militarisation of the islands by China and the other claimants. The deployment of offensive power projection capabilities by any claimant would be dangerous and destabilising. The US should help to facilitate an agreement that restricts deployments by all claimants to strictly defensive capabilities on all outposts in the South China Sea.

The growing uncertainty created by China's artificial island building and the purposes for which the new features will be used should motivate ASEAN, or at least a sub-group of UN members with deep interests in maritime security, to draw up a draft of a Code of Conduct (CoC) that contains risk-reduction measures and a dispute resolution mechanism. China is evidently unwilling to make progress with UN on a CoC in a reasonable time frame and it’s time for others to push this forward. If China and the UN are unprepared to finalise and sign a CoC, then a coalition of the willing should proceed on its own and try to bring the others along later.

The US and like-minded countries should conduct freedom of navigation patrols around China's artificial islands that were originally submerged reefs. UNCLOS provides that artificial islands do not qualify as 'islands' under the Convention because they are not naturally formed areas of land surrounded by and above water at high tide. Therefore, artificial islands are not entitled to any maritime zones. Since 1979, the US has carried out the freedom of navigation program to protect maritime rights throughout the world. Conducting such patrols in the Spratlys would signal to China and the region that disputes must be managed peacefully and in accordance with international law.
**What are the Most Likely Scenarios?**

**Nation-state conflict**
A “war at sea” is highly unlikely, as none of the claimants or their allies would benefit from a protracted conflict.

**Disruption of shipping lanes**
Much of the five trillion dollars in trade that passes through the South China Sea directly benefits China. As such, shipping lanes and maritime industries are unlikely to be significantly impacted.

**Civil unrest**
As recent precedent has demonstrated, actions taken by rival disputants can exacerbate nationalist tendencies and trigger short-term disruptions to operations, large-scale demonstrations, and rioting.

**Hacktivism**
While central governments may seek to limit cyber aggression for fear of retaliation or escalation, non-state actors may engage in vandalism or disruption of service. The impact largely depends on the level of sophistication, but likely would not amount to that of coordinated state-led efforts.

**Economic sanctions**
Economic, labor, and tourism sanctions resulting from maritime disputes are often rhetorical or short-lived. Their impact may be determined by a claimant nation’s command of a particular resource/service and the risk of blowback. Consumer preferences (due to nationalist sentiment) may also affect trade.

**Military maneuvers**
Considerable spending on military assets and the strategic desire to show force will likely lead to continued military posturing. This does not necessarily signal an inevitable conflict, if involved parties can establish rules of engagement.

**Accidental engagement**
Accidental engagement or “miscalculation” is often highlighted as a potential flashpoint that could lead to escalating tensions or conflict. History has shown, however, that after a flurry of rhetoric and threats, cooler heads typically prevail. In any case, such an incident would likely have a greater impact military-military relations than the private sector.

**Diplomatic declarations**
Diplomatic demarches are likely to be a mainstay for the foreseeable future, even if they do not serve as a catalyst for a change in policy. Due to nationalist sentiment and concerns over public perception, however, reaction to rhetoric should be measured if not accompanied by substantive action.


