



The Strategic Importance of the South China Sea

(With reference to the geopolitical, economic, and military aspects)

South China Sea is known as one of the most significant and dangerous cluster of Islands in the contemporary world. With China's unflinching militarization, six countries laying claims to the maritime territory and most significantly, Japan's and United States' aggressive confrontational attitude towards China in the area this part of the world has captured world attention as a dangerous nuclear flashpoints of the world.

As the Prime Minister of Japan SHINZO ABE recently stated; **"Provocations against Japan's sovereign sea and land are continuing, but they must not be tolerated."** This confrontational exchange of words is a normal affair, for the countries laying claim to the territory consider South China Sea as a significant part of their national interest.

Apparently the land has no visible resource as the islands located in the vicinity are predominantly uninhabited. However, an in-depth evaluation of the geo-strategic and economic dynamics of South China Sea reveals a very astonishing reality. The fact of the matter is that South China Sea has an extensive array of geo-political, economic and military significance for the contesting nations in specific as well as the globe in general.

Moreover, to top it all off, the two superpowers of the world, United States and Socialist Republic of China are racing for hegemony in the evolving multi-polar world of 21st century and South China Sea, with all its wealth and strategic significance, lies in the middle of that struggle. **Hans Morgenthau's** claim seems fit for the South China Sea debacle when he said; **"International politics, like all politics, is a struggle for power. Whatever the ultimate aims of international politics, power is always the immediate aim."** Therefore, to aptly understand the conflict, it is indispensable to comprehend the underlying claims and the overall value of this maritime territory as a neutral observer.

Geo-Political Location of South China Sea:

The South China Sea is the most notorious archipelago in the world that lies within the western Pacific Ocean and appears as an arm of the ocean in Southeast Asia. This piece of oceanic mass

covers the area from the strait of **Karimata and Malacca** and leads up to the Strait of Taiwan. In the 3rd edition of the **International Hydrographic Organization (IHO) Limits of Oceans and Seas**, the location of South China Sea is South of China and East of Vietnam. The island group is also situated to the West of the Philippines and East of the Malay Peninsula and Sumatra. The territorial proximities of the island cluster extend up to West towards the Strait of Singapore and North of the Bangka Belitung Islands. The total area spans over an area of 1,400,000 square miles that make up to about 3,500,000 square kilometers. This island group or island chain consists of hundreds of islands which are mostly uninhabited. The neighboring territories have made this island a subject of competitive demands for sovereignty by a number of countries. There is a number of countries which claim sovereignty to this cluster of islands. In his book, "The South China Sea: The Struggle for Power in Asia", **Bill Hayton**, a renowned International Relations theorist, states;

"The South China Sea is a crucial link in the 'global commons', connecting the Pacific to the Indian Ocean, Persian Gulf and Europe. Right now, along with the East China Sea, it is the most contested piece of sea in the world and one of the main reasons for the current anxiety over China's intentions"

Critical Evaluation of Claimant Stances:

There are a number of Maritime as well as disputes among countries regarding the South China Sea. The main contesting parties are **Brunei, the People's Republic of China (PRC), the Republic of China (Taiwan), Indonesia, Malaysia, the Philippines, and Vietnam**. The disputes encircling the region focus on the custody of areas including the Spratly Islands, Paracel Islands, Scarborough Shoal, as well as various territorial boundary lines in the Gulf of Tonkin. The countries who claim sole proprietorship want exclusive fishing rights as well as exploitation of processes stacked in the seabed various regions of South China Sea. The sole control of the disputed regions comes with an absolute command of significant trade routes and shipping lanes which are indispensable for smooth Global trade. The claimants of the land as well as maritime territory have a difference in their opinion regarding the history and geography of the region and that is the basic root from which all conflicting claims originate.

China is of the view that it has the sole and justified ownership of **more than 80%** of the region of South China Sea. . According to the **United Nations Convention on the Law of the Sea (UNCLOS)**, the limits of "**Territorial Waters**" are "12 Nautical Miles from low-water line" and the sovereign state can use all resources as well as establish all regulations pertaining to that maritime region. This agreement also defines a country's "**Contiguous Waters**" to be 12 Nautical Miles beyond the Territorial Water Boundary of that particular country. International law allows states to enforce only taxation, immigration, customs and pollution regulations within the confines of its Contiguous Waters. Last but not the least UNCLOS also defines the

“Exclusive Economic Zone (EEZ)” within the maritime region to be 200 nautical miles from low-water line. Over this range, a country has exploitative rights to all natural resources. However, the sovereign state has the responsibility to maintain the freedom of maritime navigation and over-flight in its EEZ. This legal maritime framework of UNCLOS has been signed by a total of 167 states, including China. In fact, the country was one of the member states in the group of 119 countries which first signed the convention. While other states claim their part of the sea on the basis of the 200 miles EEZ argument, China presents a different interpretation of the convention. According to the Chinese government, the disputed maritime territory of the South China Sea is naturally a part of the sovereign territory of Peoples Republic of China as the sea is a part of PRC's **natural extension of its continental shelf**. In 2015, President Xi Zingping, while addressing the **National University of Singapore**, stated:

“The South China Sea islands have been China's territory since ancient times. It is the bounded duty of the Chinese government to uphold China's territorial sovereignty and legitimate maritime right and interests.”

On the other hand, Vietnam claims that it has absolute sovereignty over the regions of **Paracel Islands** and **the Spratly Islands**. From the perspective of the Philippines, the Spratly archipelago as well as the Scarborough Shoal belongs to the custody of the Philippines government. Last but not the least, the countries of Brunei and Malaysia hold the stance of sovereignty over the southern regions of the sea along with a little portion of Spratly Islands. Of all the claimants, the most significant and prominent nation-state coercively reinstating its claim onto the region is China. China draws its **“nine-dash line”** to demark the geographical territory of the South China Sea that it claims to be under its sovereign command. The Nine Dash Line is a vaguely defined demarcation line that the Chinese establishment employs to lay sovereignty claim over 80% of the South China Sea. The total length of the demarcation line stretches as long as **2,000 Kilometers** and covers an area from the Mainland China to the waters of Indonesia as well as Malaysia.

China has based its rationale for the **Nine Dash Line** on its historically held sovereign jurisdiction over the region of South China Sea. China sees this territory as part of its “ancestral property” which the Chinese people passed on from one generation to the forthcoming one. In the “Position Paper of the Government of the People’s Republic of China on the Matter of Jurisdiction in the South China Sea Arbitration Initiated by the Republic of the Philippines,” published in 2014, China expressed its stance in following words:

“Chinese activities in the South China Sea date back over 2000 years ago with China being the first country to discover, name, explores and exploit the resources of the South China Sea islands and the first to continuously exercise sovereign powers over them.”

China further reasserts its claim by testifying to the fact that the governments of the Ming and Qing dynasties published maps of South China Sea during their reign. These maps also include the navigational charts which the Chinese admiral and explorer **Zheng He** drew during the 13th century. Apart from the historical vindications, China also claims to have international support for his position on the South China Sea conundrum in the contemporary age. The most prominent testimony in this regard is the listings in the atlases of 1950s and 1960s published by British, German, French, and Soviet cartographers. China also throws a shadow of doubt over the claims of other countries, especially the Philippines. Sino leadership discards their claims to be relatively recent and having an ulterior political motive.

China's sovereignty claims over 80% of the South China Sea maritime territory has been rejected by most of the other countries which see this claim as unsubstantiated. In fact, the Permanent Court of Arbitration in Hague backed this rejection of the Chinese claim in 2016 while deciding the Philippines v. China PCA case, also called the **South China Sea Arbitration**. International arbitration as well as the claims of nation-states; all these aspects highlight the fact that South China Sea is no ordinary piece of maritime territory. In fact, it is a region full of multifaceted fiscal and strategic benefits, acting as a magnet for the regional as well as international actors. Therefore, it is significant to analyze the significance of South China Sea, in terms of its geopolitical and economic significance.

Significance of South China Sea:

The South China Sea, at first glance, seems like any other part of an ocean enclosed by a cluster of Islands and straits and covering a certain area of the sea. However, the geostrategic and economic importance associated with the ocean is tremendous and manifold. From busiest maritime trade ways to sea beds full of unlimited resources, this piece of Pacific Ocean is beaming with unlimited potential of geo-strategic and economic supremacy for anyone having the power to dominate it.

A. Strategic Significance of South China Sea:

Before any sort of economic or military significance, the great powers in the contemporary world fight for strategic dominance. It goes without saying that geo-strategic significance of land as well as maritime locations is the most important aspect under consideration while analyzing the importance of any area in the contemporary neo-liberalism and interdependent global arena. Such is the case with the South China Sea and its geography. As of today, the maritime trade ways that pass through the naval route of the South China Sea are said to be the most significant and busiest maritime sea lanes in the world. This body of water has the privilege to host the second highest global merchant fleet traffic annually. This spectrum of high traffic is a proven fact that has been consolidated even further with the help of a number of

researchers conducted regarding the trade ways. For instance, in 2016, statistical evaluation revealed that maritime trade ways of the South China Sea carried a total of **one third** of the global shipping. This shipping traffic and the merchandise on it carried about **\$3.4 trillion** worth of value in capital. What's most interesting about these numbers is that out of this 3.4 trillion dollar worth of shipping items there included nearly **40% China's total trade**. Similarly, United States of **America** also **conducts a total of 6%** of its global trade through the maritime trade line of the South China Sea. Moreover, 90% of petroleum imported by major countries like China, Japan and South Korea pass through this area. All these aspects highlight the strategic indispensability of the South China Sea for global trade routes.

This geo strategic significance is the main reason behind the fact that China and other territorial stakeholders are contesting to gain control of these maritime lane. Gaining sovereignty over the South China Sea or even some part of its strategically significant zones will provide the sovereign nation state significant seat in global trade agreements. In order to realize the ambition of China to gain global hegemony, the Sino leadership has long claimed sole proprietorship of the South China Sea to gain control of the golden waterways. To this end, Peoples Republic of China published its own map of the region which shows almost entire portion of South China Sea to be part of the Chinese sovereign territory. The renowned "**Nine Dash Line**" is a symbolic manifestation of Chinese hegemony over the area. Although China marked the infamous line as early as December of 1947, it never gained the deserved global attention and critique until now, a time when China has begun to emerge as a strong competitor in the global power structure. The world remained oblivious towards the demarcation for over five decades but finally, in **2010, Hillary Clinton**, Secretary of State to the Obama Administration, addressed the issue in a meeting at the **ASEAN** forum. Since then, the issue has surfaced every now and then with every side asserting the truthfulness of its own claim. In fact, China is so fascinated by the strategic significance of the South China Sea that it has began militarizing a number of islands within the Sea. The militarization of the Spratly Islands is a significant example in this regard. This militarization by China began in 2014 and continues till date.

B. Significance of South China Sea vis-à-vis Military/ Defense:

The maritime area of South China Sea is the center of massive militarization as well as military alliance maneuvering campaigns on part of its major stakeholders. The reason behind such high level defense spending on this region by the nations of the world, especially China, is the intention of China to revert the encroachment of USA into its own territorial backyard. US claims the South China Sea, especially its strategically goldmine Spratly Islands lie within the maritime vicinity of International waters. Moreover, the maritime lanes of South China Sea serve as a significant artery for the military of the nation. This is because the **Seventh Fleet** of

the United States has a constant routine to transit between the Pacific and Indian Oceans at regular intervals. These regular visits require maritime security for the troops to carry on smoothly. Along with this, the region also acts as a strong military base for China in case of a Total War with the enemies. In case there is a direct military confrontation between the United States and China, the significance of South China Sea is undeniable. This fact has been further illustrated with the help of a recent article by **Gregory Poling** in which the writer explains the various means through which this region can act as a military base for the Chinese government against American onslaught as well as provide strong strategic ground for counter strike. He says:

"The islands have considerable military value for Beijing, contrary to some conventional wisdom that has written off the value of these facilities in a conflict."

He argues that in a time of peace, these islands provide the United States with much needed coercive leverage. On the other hand, if, unfortunately, war ensues, these strategic points to rescue assist Chinese government in ways more than just being cannon fodder. These islands have a massive role to play in providing firepower, situational awareness, and logistical information to the Chinese government. The location of these islands is ideal for Beijing to install anti-ship and anti-air missiles in order to make sure that the naval fleet of the enemy, either US or any other regional force, can be stopped from entering the region. Moreover, the location of the South China Sea and its cluster of strategically placed islands have the ability to keep the enemy at bay, for the size of some of the facilities makes firepower assault a very difficult task. Some of these islands like **Mischief and Subi Reefs** are so enormous that along with very high level long-range conventional precision strike requirements, US Navy would need an unrealistic amount of firepower to undertake a successive assault and complete neutralization of the military bases in the islands. Last but not the least, the renowned Spratly outposts of China in the South China Sea serves as the main frontier of China's rising ballistic missile submarine bastion. Therefore, in perspective of the defense dynamic, the significance of South China Sea also increases manifold.

C. Economic Significance of South China Sea:

The economic benefits and importance linked with the South China Sea has been evident since day one. As discussed earlier, this region contains some of the most significant **shipping lanes** of the world which are indispensable for the smooth flow of global trade. The main lane of shipping spreading between the Pacific and Indian Ocean ports is carried out through the Strait of Malacca and the South China Sea. During this trading, oil and mineral resources are shipped towards north whereas food and manufactured goods move towards the south. These maritime lanes are the jugular veins of international flow of capital and goods and therefore, the economic significance of the South China Sea is self evident. However, the discussion

regarding the economic value of this region is not restricted to its strategic location rather there are other avenues of fiscal significance as well. South China Sea is a source of untamed and unexplored natural resources embedded in its seabed. There is a wide variety of resources that the legitimate sovereign state will have every right to explore and exploit. One of those boundless resources is the abundance of marine life. South China Sea is full of fishery of all sorts and kinds. Major kinds of sea fauna include various species of **tuna, mackerel, croaker, anchovy, shrimp** as well as **shellfish**. This collection of sea food is the main source of marine animal protein to the region of Southeast Asia. Researches show that the region encompassing South China Sea holds about a total of one third of the entire globe's biodiversity. Moreover, around 10% of world's fishery resource is also present in South China Sea. The local dense population of South East Asia is a thriving market for the marine exports of South China Sea. Along with the abundant marine life, the heavy fished sea also has extensive runoff of nutrient-laden waters.

A more prominent source of capital from the South China Sea is the abundance of natural resources. Initial researches suggest large reserves of **natural gas** as well as **oil** lying on the seabed of the Sea. At present, areas **north of Borneo, east of the Malay Peninsula, and northwest of Palawan** are the main locations of these rich sources of hydrocarbon production. According to a research conducted by the **Asia Maritime Transparency Initiative**, there are about **213 billion barrels** of oil reserves estimated to be present in the South China Sea region. This estimated bulk is equivalent to about 80% of the total oil resources present in the Kingdom of Saudi Arabia. Moreover, there are a total of **266 trillion cubic feet** of natural gas reserves that are estimated to be available for excavation in the base of the sea. Along with these rare and pricy sources of hydrocarbon production, the sea also contains an abundant amount of Rare Earth Metals. These metals are very useful when it comes to the production of goods like hybrid cars, flat screen TVs, and smart phones.

D. Geo-political Significance of South China Sea; The Ongoing 'Cold Confrontation':

The South China Sea conflict is no ordinary dispute over territorial waters, for this regional conflict has the confrontational involvement of two superpowers of the world- USA and China. It is due to the forceful and sometimes threatening stance of China over the territorial sovereignty of South China Sea that the super power of the world, United States of America, has been an active non-claimant participant in this tug of war. While China reinstates its claim over the region through the "Nine Dash Line" narrative, United States holds the primacy and supremacy of the International Law in determining the territorial limitations for each State adjoining the South China Sea. United States of America has a long list of **security agreements** in East Asian region and the alliance of United States ranges to a number of states that geographically border the South China Sea. These States include the **Philippines, Singapore and**

Vietnam. The US has wide-ranging security commitments in East Asia, and is allied with several of the countries bordering the South China Sea, such as the Philippines, Singapore and Vietnam. Although the US government has not officially backed the claims of any particular state in this conflict, the administration consistently stresses upon the implication of China vehemently ignoring the “International Law of the Seas.” To reaffirm its support for the ILOS in this matter, the US Navy regularly carries out Freedom of Navigation operations in the region. This is where the matter becomes a source of serious concern, for both USA and China are two Nuclear Weapon States, intertwined in a **Thucydides Trap** with each other for the supremacy of the New “**New World Order.**” That is why United States and its administration have repeatedly criticized the Chinese leadership for violating the International Law of the Seas and illegally undertaking militarization of the Spratly Islands. **Sean Spicer**, the former White House's spokesperson, said in 2017:

"We're going to make sure that we defend international territories from being taken over by one country."

A recent visual testimony of this dangerous confrontation was witnessed in August, 2018, when a CNN crew documented a verbal confrontation between the US Navy and Chinese military while carrying out a joint observatory over-flight of four key artificial islands in the Spratly Islands chain when China has heavily militarized the area. During the course of their flight, the US Navy jet pilots received a succession of six distinct warnings stating; "**Leave immediately and keep out to avoid any misunderstanding.**" The Chinese military claimed that the US aircraft was infiltrating the sovereign territory of China and must leave in order to avoid any confrontation mishap or collateral damage. The US Aircraft pilot responded with standard procedure, saying:

"I am a sovereign immune United States naval aircraft conducting lawful military activities beyond the national airspace of any coastal state. In exercising these rights guaranteed by international law, I am operating with due regard for the rights and duties of all states."

The level of fear and threat of an all out confrontation at that moment reflected the potential of South China Sea of turning into a nuclear flash point of the world. This visual aid also reflects on the fact that this conflict has a very significant geo-political significance when it comes to analyzing the global power dynamics of the New “New World Order” where multiple powers are struggling for dominance.

E. Significance of the South China Conflict in View of Contemporary Scenario:

In the contemporary scenario, the South China Sea debacle has gained even more prominence owing to the active engagement of the two global super powers in the region. United States of America and the Peoples Republic of China are at loggerheads in terms of tackling the crisis

and with every passing day, the confrontational undertone is becoming even more apparent. Today, China is pursuing an active militarization of the artificial islands that the country created itself. On the other hand, United States of America has been engaged in undertaking a hedging strategy in order to counter the Chinese military might as well as balance the power equilibrium in the region.

i. Chinese Militarization of the South China Sea:

China has, so far, undertaken the militarization of the 1.35 million square miles of South China Sea in two phases. The first phase comprised of expanding into the region by the creation of “artificial islands.” In 2014, the country initiated the campaign of building manmade bases over Spratly islands. This chain of building artificial islands then proceeded towards Fiery Cross Island. All in all, according to recent US estimates, China added a total of **3,200 acres of land** in the form of rocky outcrops as well as reefs in a time frame of about three years. This manmade expansion of the cluster of islands was evident from the fact that Fiery Cross reef which was once a dusty mass of rocks and coral reef had totally been reformed and equipped with modern runway and a variety of other advanced buildings. This first phase was the base ground which ultimately was about to lead to something bigger. In a report published by **Asia Maritime Transparency Initiative (AMTI)** in March, 2017, **“Beijing can now deploy military assets, including combat aircraft and mobile missile launchers to the Spratly Islands at any time, as new antennas have been spotted on Subi and Fiery Cross.”** At that point in time, China claimed that the development of island was being undertaken merely for the purpose of maintaining “Freedom of Navigation” across the South China Sea, however, the events that took place afterwards clearly revealed Chinese intention of militarizing the islands it created.

Over the years, research analysts and statesmen began to suspect the intentions of China regarding the future use of the islands. Initially, some of the islands in the sea had light houses which functioned as a tool for navigational ease. However, other islands soon started to transform themselves into military bases. **Alessio Patalano**, senior lecturer in Asian security and war studies at King's College London, predicted the future militarization by pointing out the strategically chosen location of the man-made islands;

“The Chinese decide where to make islands by looking at the furthest possible range of planes, and radio stations, and then work where they need to build to make sure they have every area covered. Currently they have a neat triangle with range that extends across most of the South China Sea.”

These strategically located manmade islands took 10 years of gradual sand dumping and then began China’s militarization venture. China’s campaign to militarily fortify its South China Sea assets is a symbol of the state’s intention to coercively claim the control of the entire region.

This time around, the country has mentioned civilian and rescue operations to be the main justification behind the militarization campaign. However, the scale of militarization which includes military installations, advanced weapon systems, sophisticated combat aircraft, surface-to-air missiles (SAMs), anti-ship ballistic missiles as well as jamming technology exceeds the level of artillery required for civilian and rescue missions. The fact of the matter is that this equipment is a means to ensure the **anti-access or area-denial (A2/AD) capacity** of China in the region.

ii. USA's Hedging Strategy:

In response to China's aggressive militarization campaign, United States has come up with its own strategy of counter alliance and militarization of allies to balance out the equation. US establishment has played the role of an offshore balancer in the East Asian Region. By using its forward basing system i.e. its military bases, US has created its repute as a credible security ally in the region, especially the Philippines and Thailand. Most significant relation in this regard is the US-Philippines military alliance. Over the years, the US initiated funding for several defense projects in the Philippines. Major projects in this regard include the Navy's Coast Watch South Project aimed at equipping the Philippines Navy with latest tech and artillery. This alliance is clearly aimed at creating a regional hedge against China.

In view of the Hedging Strategy of USA, China decided to change its foreign policy narrative from coercive opposition to cooperative economic interdependency. In this regard, China's "**No Strings Attached Policy**" focused on creating a wedge between USA and its allies. In 2016 Beijing's ambassador to Philippines said:

"China will not allow the Philippines to fall into a "debt trap", as it has committed itself to handing out loans and grants to help finance the Southeast Asian country's massive infrastructure projects."

This economic interdependency between the two countries has eased down the tensed and strained relations between the two countries. In fact, China has progressed to adopt the strategy of "winning without firing a single shot" and begun the well known Belt and Road Initiative (BRI) to create alliance out of economic gains. All these policy maneuvers are mainly focused on one point: ensuring the strategic dominance of one's country over the region of South China Sea and this aspect is the biggest testimony to the significance of South China Sea.

Conclusion:

The conflict surrounding the South China Sea has had devastating implications for the region as well as the world in general. As the world braces for a nuclear outburst at any moment, the region yearns for a desire to explore the untamed and boundless natural resources that lie at the

seabed of the infamous sea. Moreover, due to the ongoing conflict, the global trade traffic that passes through the shipping lanes of the sea also get exposed and compromised. As the regional claimants fight over gaining control of the maritime territory, many of the participants have endured fiscal loses and negative repercussions pertaining to their economy. For instance, Vietnam had to endure a damning failure of a “Vietnamese Oil and Gas Development project known as the **“Red Emperor”** where the country lost a total of **\$200** million. This economic downturn came about owing to excessive Chinese pressure as the country tried to influence Vietnam’s exclusive economic zone and Vietnam closed down the project, giving up against the aforementioned pressure. In view of such far reaching implications, it is high time that the claimants, especially the two superpowers of the world take responsibility of resolving the conflict amicably and create regional as well as global peace.

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