

The South China Sea is one of the most important yet contested ocean spaces in the world. There are disputes over sovereignty (political ownership) of its many small islands, and competing claims to its waters. These conflicts complicate the management of the South China Sea's valuable marine environment and resources.

### Why is this sea important?

#### Trade

Located between the mainland coast of Asia and the island groups of the Philippines, Borneo and Indonesia, the South China Sea is a large tropical ocean space covering an area of over 3 million km<sup>2</sup> (Figure 1). It is vital to the flow of global maritime trade because it is the link between the Indian and Pacific Oceans. Around 90% by volume of traded goods in the world are carried by sea.

Many of the states in this region are poor in natural resources but have dynamic, industrialised economies that are dependent on importing raw materials and exporting manufactured goods by sea. Ships passing through the South China Sea are estimated to carry over US\$5 trillion in trade per year. This includes around 25% of the oil carried by sea (over 15 million barrels per day) and more than 50% of the global trade in liquefied natural gas (LNG).

Women in Mui Ne, Vietnam, wait on the shore of the South China Sea for the fishermen to return home



#### Biodiversity and physical resources

The South China Sea is also an area of globally significant biodiversity. It is home to reef habitats that help support at least 3,365 known species of marine fish. For a relatively small part of the oceans, the South China Sea delivers an astonishing abundance of fish, estimated at 12% of the global fishing catch, worth over US\$21 billion per year. These living resources are worth more than money. They provide employment to at least 3.7 million people

and are fundamental to the food security of hundreds of millions of people in the region.

There has long been speculation that the South China Sea may be a major source of seabed energy resources. In 2013 US sources estimated that there were 'proved and probable' untapped resources amounting to approximately 11 billion barrels of oil and 190 trillion ft<sup>3</sup> of gas. Some Chinese estimates are much higher — in November 2012 the Chinese National Offshore Oil Company estimated 125 billion barrels of



Figure 1 Competing maritime claims in the South China Sea

oil and 500 trillion ft<sup>3</sup> of natural gas. We cannot be sure about the potential oil and gas resources underlying disputed waters, as the competing claims make exploration all but impossible.

#### Competing claims to islands

Islands lie at the heart of the South China Sea disputes. The area has a complex coastal geography, with many small islands, rocks and coral reef features, the vast majority of which are subject to competing claims to sovereignty. Contested areas include two archipelagos — the Parcel Islands in the northwest and the Spratly Islands in the south — and the isolated Pratas Island and Scarborough Reef (or Shoal) in the northeast and east of the South China Sea respectively (Figure 1).

#### The Spratly Islands

The Spratly Islands consist of over 120 small islands, islets, rocks and reefs scattered over 240,000 km<sup>2</sup> of maritime space. The total land

area of the 12 largest Spratly Islands has been estimated at less than 2 km<sup>2</sup> whilst the largest, Itu Aba, is only 1.4 km long and 370 m across.

Traditionally, these tiny features were considered to be of little importance other than as potential hazards to navigation. They were described by the geographer A. G. Findlay in 1889 as a 'labyrinth of detached shoals' and are marked as 'Dangerous Ground', on British Admiralty navigational charts of the area.

Despite their apparent insignificance these islands are claimed, in whole or in part, by China, Taiwan, the Philippines, Malaysia, Brunei and Vietnam. As evidence of the importance attached to the disputes, all the claimants, with the exception of Brunei, have occupied and installed garrisons on at least one of the disputed islands.

#### China's role

China, the largest and most powerful of the South China Sea claimants, came late to the

### Box 1 Island-building

China has undertaken large-scale island-building on a number of the small and low-lying features that it occupies in the South China Sea. Although other claimant states have carried out their own construction efforts on the islands they occupy among the Spratlys, the scale and pace of China's island-building efforts far outstrips them.

For example, the aptly-named Mischief Reef was until recently completely covered at high tide and only partially above water at low tide. China has dredged and destroyed coral reef, ground it up and deposited this material on top of the reef, to create an artificial island that rises above high-tide level. A long runway and military installations have been built here.

#### Can you build your own island?

This leads to a question: Can you build your own island? The answer is yes, but only in your own waters — not in waters that are disputed. In addition, artificial islands do not have the same legal status as naturally formed ones. UNCLOS (Box 2) states that man-made structures do not possess the status of islands, have no territorial waters of their own and their presence has no significance in the delimitation of maritime boundaries. In legal terms, therefore, the impact of China's island-building antics is limited. In geopolitical terms, however, they may have far more impact.

island occupation game. As a result, it was left with extremely small features to occupy, often of very low elevation so they are partly or fully submerged at high tide. This is one reason why China has recently embarked on an ambitious programme of island-building, in order to increase its physical presence among the disputed islands of the South China Sea (see Box 1).

At their core, these disputes involve sovereignty over territory. Despite increasing globalisation, territorial states have not withered away. Sovereignty remains alive and well in east and southeast Asia. Safeguarding claims to territory, no matter how tiny and seemingly worthless, helps to legitimise the governments concerned.

#### Superpower conflict?

Another dimension to these disputes is that the South China Sea is increasingly an arena for competition, and potential conflict, between China, its neighbours and the USA.



Over recent decades China has tried to push its defensive perimeter offshore. China's navy, the People's Liberation Army Navy (PLAN), has been expanding and modernising, adding advanced submarines, frigates and destroyers as well as long-range maritime patrol aircraft.

The advances made by PLAN are symbolised by the acquisition of its first aircraft carrier, the *Liaoning*, which sailed into Hong Kong Harbour in July in what seemed to be a show of Chinese power. China's second aircraft carrier was launched in April 2017 and further carriers are understood to be under construction. By comparison the US has 19 carriers and carrier-like amphibious assault ships.

Freedom of navigation is fundamentally important to the USA, the world's premier maritime power. Globally important sea lines of communication (SLOCs) pass through the South China Sea, carrying huge volumes of trade. These same SLOCs allow the US Navy to move between the Western Pacific and Indian Oceans. The South China Sea is therefore of direct economic and strategic interest to the USA.

Although China is now Asia's pre-eminent naval power, it still lags far behind the US Navy in size and capability. China's increasing assertiveness has led the USA to increase its naval presence in the South China Sea — part of a so-called 'pivot to Asia'. But US global interests mean that its navy is deployed across the world's oceans and therefore thinly spread. In contrast, PLAN is concentrated in the East and South China Seas, offering China superiority in these waters despite the recent US shift in forces to the region.



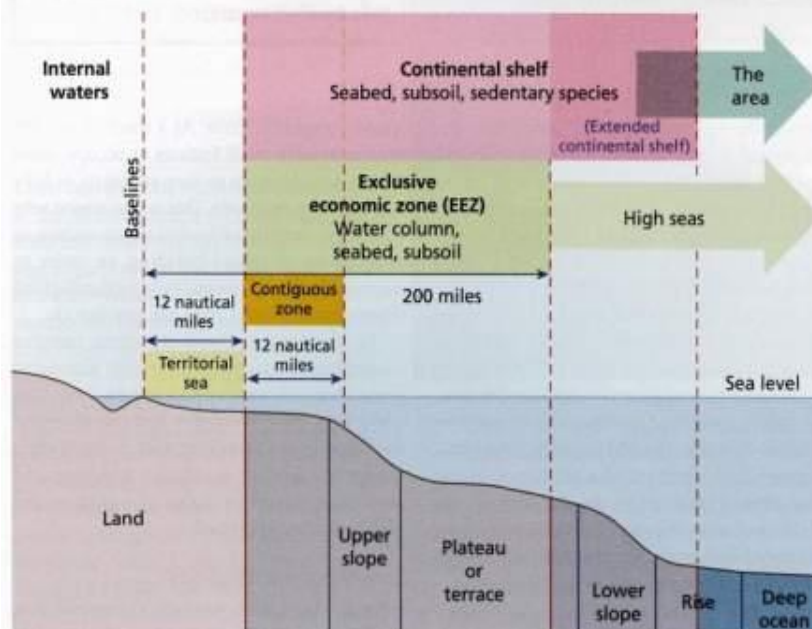
Conflict between China and the USA, or with the other South China Sea states, is by no means inevitable. All of these states benefit from and rely on the trade passing through the South China Sea. China has also tended to use paramilitary forces such as the China Coast Guard rather than the navy to conduct operations in the South China Sea, reducing the risk of a military confrontation.

### Competing maritime claims

Adding further complexity, all the South China Sea states make claims to maritime zones offshore (Box 2), which contain valuable marine resources. As these countries surround the South China Sea their maritime claims tend to converge and overlap. They also make maritime claims from disputed islands which inevitably conflict with one another.

This creates the complex, web-like network of claim lines shown in Figure 1.

In addition, China claims a so-called 'nine-dash line' in the South China Sea. This series of disconnected lines, if joined together, would enclose around 80% of the South China Sea. China has never explained precisely what the nine-dash line means, but it is usually taken to be a historical claim to the islands and waters inside the line. Within this line China has undertaken oil exploration activities and its fishing fleets have operated.



Source: Schofield and Arsana, 2012

Figure 2 Maritime zones under UNCLOS

## Box 2 The Law of the Sea

All the countries bordering the South China Sea bar one have signed and ratified the 1982 United Nations Convention on the Law of the Sea (UNCLOS). The exception is non-UN member-state Taiwan. UNCLOS provides the generally accepted legal framework governing maritime claims and the delimitation of maritime boundaries where such claims overlap.

A key achievement of UNCLOS was agreement on the limits, or breadths, of national zones. According to UNCLOS, the breadth of a coastal state's territorial sea is not to exceed 12 nautical miles from baselines along the coast. Before this, there had been no agreed limit, so the UNCLOS definition was a significant step forward. Coastal states can also claim a contiguous zone (for issues such as customs) out to 24 nautical miles.

In a major development, UNCLOS also introduced the concept of the exclusive economic zone (EEZ) within which the coastal state has sovereign rights over resources but not full sovereignty. States have sovereign rights over seabed off their coastlines as part of their continental shelf.

Beyond these national claims to coastal waters, the oceans are divided into international seabed zones and the high seas above these (see Figure 2).



## The Philippines challenges China

A recent international court case between the Philippines and China ruled on both maritime claims from small islands and on China's nine-dash line claim. China has refused to accept this decision, creating conflicting maps or competing geographies of the South China Sea.

Despite China's refusal to participate in the case, on 12 July 2016 the Arbitral Tribunal delivered a landmark ruling that addresses not only South China Sea issues but key uncertainties in the existing law of the sea. As the tribunal resulted from UNCLOS (Box 2) it could only address issues related to the law of the sea and could not deal with the political ownership of disputed islands. However, in a sweeping legal victory for the Philippines, the tribunal dismissed China's nine-dash line claim and defined all the Spratly Islands as 'rocks' which cannot generate maritime claims beyond a 12 nautical mile territorial sea.

The tribunal also found that China had:

- violated the rights of the Philippines in waters off its coasts by interfering with Philippine fishing and petroleum exploration activities, constructing artificial islands, and failing to prevent Chinese fishermen from fishing there
- caused severe harm to the coral reef environment and violated its obligation to preserve and protect fragile ecosystems and the habitat of depleted, threatened or endangered species through its recent large-scale land reclamation and construction of artificial islands
- made the dispute worse by permanently destroying evidence of the natural condition of disputed features through its extensive artificial island-building and construction activities (Box 1)

## Competing geographies and future conflict

The consequence of the Arbitration Award is that the Philippines and, by extension, Malaysia, Brunei and Indonesia, are free to claim rights over the sea to 200 nautical miles from their coasts as part of their exclusive economic zones (EEZs, Box 2). If implemented, the award also significantly reduces the maritime area in the South China Sea that is under dispute, essentially to 12-mile pockets of water around the disputed islands and between neighbouring states that have not delimited their maritime boundaries (see Figure 3).

The snag is that China has consistently rejected the ruling and there are no mechanisms by which it can be enforced. China is one of the five permanent members of the United Nations Security Council and would inevitably veto any move to, for example, impose sanctions on it for not accepting the award. China is likely to maintain not only its claims to sovereignty

A Philippine military base on Panata Island in the Spratly Islands



Source: Schofield and Arsana, 2016

Figure 3 Disputed waters in the South China Sea after the Arbitration Award





Source: Schofield and Arsana, 2016

**Figure 4** Disputed waters in the South China Sea within China's nine-dash line

over all the disputed South China Sea islands but to maritime areas within the nine-dash line (Figure 4).

This scenario of competing geographies of the South China Sea is ominous. It sets the scene for future conflict as China seeks to assert its 'historic rights' and other coastal states attempt to use the resources, such as oil and fish, that lie within what they regard as 'their' waters. This has dire implications for the region's precious marine biodiversity and management of its abundant fisheries. It also threatens regional stability and freedom of navigation through waterways of global significance.

### Activities

- 1 How far is the southernmost island in the Spratly Islands (located in the corridor claimed by Brunei) from the large Chinese island of Hainan?
- 2 Suggest how the physical geography of the region has affected the size of different countries' maritime claims.
- 3 Discuss why islands have often become a source of tension and conflict for competing powers.

### Further reading

Guardian articles about the *Liaoning* sailing into Hong Kong harbour:  
[www.tinyurl.com/yb4rokkl](http://www.tinyurl.com/yb4rokkl)  
 and China's second aircraft carrier:  
[www.tinyurl.com/m53cqwr](http://www.tinyurl.com/m53cqwr)

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Demonstrators outside the Chinese embassy in Hanoi

### Key points

- The South China Sea is important as a trade route as well as for its resources, and is contested by the nations that surround it.
- The situation is complicated by the large number of small islands in the sea, to which neighbouring nations have laid claim.
- China is the most powerful of the claimants and is building military power. There is a potential for conflict with the USA over freedom of navigation.
- Claims to maritime areas have led to the Philippines challenging China in the international courts.
- The continuing competition for territory and resources has both political and environmental implications.