

China and Southeast Asia in the South China Sea: What to Expect if Worse Comes to Worst

China's impossible, yet successful, projects in building artificial islands and impressive [military capabilities](#) in the South China Sea (SCS) in less than seven years demonstrate its top foreign policy agenda in Asia. The [nine-dash line](#) claimed by Beijing stretches from the Chinese mainland to waters close to Indonesia. The tensions in the SCS involve five Southeast Asian countries: Brunei, Indonesia, Malaysia, the Philippines, and Vietnam. Secretary Pompeo's latest stance on China's claim places Southeast Asia as the center of U.S. foreign policy in the SCS. This article considers whether the tensions could escalate into open conflict.



Source: <https://www.economist.com/the-economist-explains/2017/05/29/what-a-new-agreement-means-for-the-south-china-sea>.

China's Soft vs. Hard Power in Southeast Asia

China has influenced Southeast Asia through the effective use of soft power, but it also applies hard power when it comes to the SCS.

Brunei has more limited claims than the others, and the Sultanate has been dubbed the [“silent claimant.”](#) During President Jinping's state visit to Brunei last November 2018, the two leaders agreed to exploit oil and gas resources in the SCS jointly. Brunei sees China as an important economic ally, where China is committed to helping Brunei diversify its reliance on oil and gas.

Malaysia is careful in giving public statements about the SCS, but Kuala Lumpur had a tough stance when Malaysian and Chinese vessels were in [a standoff](#) for more than one month, near the island of

Kalimantan, just last April. Economically, Malaysia has enjoyed a [respectable partnership](#) with China, by having the giant state as its biggest trading partner since 2010, and as its largest foreign direct investor in the manufacturing industry for the past three years.

The economic ties between Vietnam and China have also improved, with China becoming its second-largest trading partner after the U.S. Last January, however, PM Xuan Phuc reminded Beijing that Hanoi would [defend Vietnam's sovereignty](#) in the SCS. Not long after the prime minister's declaration, Vietnam experienced increasingly hostile actions from China compared to other Southeast Asian countries. In May 2020, [Vietnam's Foreign Ministry announced](#) two Chinese ships attacked a Vietnamese fishing boat in the SCS and confiscated its catch and equipment. This episode followed an April incident when a Chinese vessel sunk a Vietnamese fishing boat near the Paracel Islands.

The Philippines under President Duterte is known to be lenient toward China but inclined to distance itself from the U.S. Manila and Beijing have enjoyed closer relations in every sector for the past four years. Yet, [the Philippines' military was concerned](#) about an incident involving a Chinese warship that locked its weapons on a Philippine corvette as a target. President Duterte ultimately decided to retain a Visiting Forces Agreement with the U.S. after previously expressing his intention to end the 21-year-old pact. Foreign Secretary Locsin reasoned that the adjustment was necessary due to the ["heightened superpower tensions"](#) in the region.

Not included in the [six SCS claimant countries](#), Indonesia kept a relatively low profile in the SCS conflict until several incidents in the Natuna Sea that involved the Indonesian Navy and Chinese Coast Guard. Jakarta [raised its alert](#) after Beijing declared there were "overlapping claims" in the Exclusive Economic Zone of the Natuna Sea. Foreign Minister Marsudi affirmed there was no such thing as a nine-dash line for Indonesia. Like the other four states, Indonesia has robust bilateral relations with China. Replacing Japan, China became the [second-largest foreign investor in 2019, accounting for more than twenty percent](#) of total foreign investment.

Implications in Southeast Asia

Beijing needs to assess the national interests of the five Southeast Asian governments and weigh if they are willing to trade off their territories for Chinese loans and economic incentives.

Southeast Asia is now more cautious since China has sent shockwaves by finishing military-grade runways, radar systems, fighter jet hangars, barracks, bunkers, missile emplacements, and other military facilities on the artificial islands in the SCS. [Beijing's plan](#) to activate the Air Defense Identification Zone (ADIZ) in the disputed areas can further complicate matters.

If China decides to keep flexing its muscles in the SCS, the Southeast Asian countries will intuitively respond. They will have to determine if economic relations with China can coexist with China's aggressive policy in the SCS. When the involved Southeast Asian states opt to defend their claimed sovereignties, they should be prepared to confront all possible scenarios. If tensions escalate and lead to military confrontations, there will be at least three implications that follow.

First, Southeast Asian countries, except for Brunei, Cambodia, Laos, and Myanmar, will become more unified than ever to push back against China's ambition in the SCS. The like-minded ASEAN countries most likely to become the drivers of this undertaking are Vietnam, the Philippines, Indonesia, Singapore, and Malaysia. Those countries are currently strengthening their military capacities, anticipating the potential for open conflicts in the SCS, although the Covid-19 pandemic has slowed down their efforts.

Second, power projection in the SCS is inevitable, no matter how much Southeast Asian leaders strive to avoid it. Major powers outside Southeast Asia like [Australia, France, India, Japan, the U.K., and the U.S.](#) have partnered with Southeast Asian countries to increase military presence in the SCS in the forms of joint exercises, maritime security cooperation, freedom of navigation operations, grant aids, military capacity building, and information exchange. Escalations in the SCS will directly pave the way for the major powers to step in. At that point, Southeast Asian countries will be forced to take a side in the SCS, and Beijing should easily anticipate which countries would be on which side. On the other hand, [Pompeo](#) announced the U.S is no longer neutral in the SCS and stands “with our Southeast Asian allies and partners” against China. The combined five Southeast Asian countries alone will never succeed in containing China’s military might in the SCS, and their national interests compel them to collaborate with other major powers.

Third, the world will examine this conflict from the only international legal perspective that matters for maritime disputes, i.e., the UN Convention on the Law of the Sea (UNCLOS), which China has ratified. Those who do not comply with legitimate international law are prone to international pressure. Involved parties should ensure their plans and actions in the SCS are in line with the 1982 UNCLOS and the UN Charter.

It seems the only way to calm tensions is for China to stop militarizing the SCS and stop harassing Southeast Asian military and civilian vessels. Nevertheless, Beijing’s development of all those islands, infrastructure, and facilities suggests it will not back down from its claims in the SCS.

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