

# Philippines and China: Conflict or Cooperation?<sup>1</sup>

*Chito Sta. Romana*

Philippines-China relations have deteriorated since the maritime standoff at Scarborough Shoal in April 2012, hitting the lowest point since the establishment of diplomatic ties between the People's Republic of China and the Republic of the Philippines in a joint communiqué signed on June 9, 1975.

From recent developments, it is quite evident that China will remain a major challenge for Philippine diplomacy in the foreseeable future.

As a saying goes, one can choose one's friends but one cannot choose one's neighbors. This is especially true for countries, and in our case China happens to be the biggest country in our neighborhood.

Thus, it is important for us to study and understand what is happening in China in order to know how to develop and

<sup>1</sup> Revised article based on a talk before members of the Makati Business Club during a forum on "How to Deal with China" in August 2012.

maintain friendly relations with our biggest neighbor, and how to deal with it at times of dispute.

## 1. Pillars of Support

As the ancient Chinese strategist Sun Tzu wrote in *The Art of War*, "Know the enemy and know yourself, and you can fight a hundred battles with no danger of defeat."

To understand contemporary China, one must start by knowing the key to its survival as a regime. How did it avoid the collapse that ended the Soviet Union and the communist regimes in Eastern Europe? What is the source of legitimacy of its authoritarian government?

There are at least three major pillars of support for the Chinese regime:

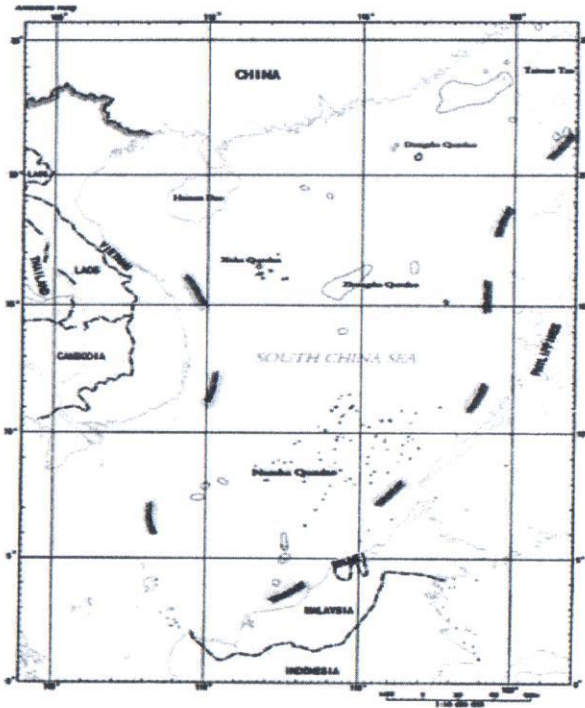
- **Economic prosperity** – The transformation of China into the world's second-biggest economy and the remarkable improvement in people's living standards over the past three decades have provided the basis for the regime's public support.
- **Nationalism** – It has become the unifying ideology in lieu of the decline in appeal of Marxist-Leninist and Maoist ideology. This nationalism is rooted in this historical narrative: China suffered a century of humiliation at the hands of foreign invaders before the victory of the revolution in 1949; China used to be the preeminent power in the region and the world before the 19th century and ought to recover its lost glory as a regional and global power.
- **The Chinese People's Liberation Army** – If everything else fails — that is, if the economy slows down, if nationalism loses its appeal and if the survival of the regime is threatened — then the Communist Party leadership can rely on the PLA to maintain its rule on the country.



## 2. Claim to the Sea

Turning to the South China Sea (West Philippine Sea), China reiterated its historical claim in several letters submitted to the United Nations in recent years:

“China has indisputable sovereignty over the islands in the South China Sea and the adjacent waters, and enjoys sovereign rights and jurisdiction over the relevant waters as well as the seabed and subsoil thereof (see attached map).”<sup>2</sup>



<sup>2</sup> Letter from China's UN Mission to UN Secretary General dated May 7, 2009.

Moreover, China further stated that “Nansha (the Chinese name for the Spratlys) is fully entitled to territorial sea, exclusive economic zone (EEZ) and continental shelf.”<sup>3</sup>

The map attached to China's May 2009 letter was the controversial nine-dash line map, which was originally drawn up with 11 dashes in 1947 by the previous Kuomintang government in China. It was inherited by Mao's regime, which then removed two dashes in 1953 supposedly in a friendly gesture to Ho Chi Minh and the Vietnamese revolutionaries.

The nine-dash line map is based on China's historical claim to the islands, reefs and other geographical features in the South China Sea. It also highlights the underlying issues involved in China's territorial and maritime claims, which overlap with those of several neighboring countries.

There are at least three underlying issues in the dispute between the Philippines and China:

- **The sovereignty or territorial issue** – who owns the Spratly Islands and the Scarborough Shoal? And who is entitled to the maritime zones (EEZ and continental shelf) from these islands or reefs?
- **The economic issue** – who has the right to exploit the resources in these islands or the surrounding waters and seabed? These resources are fisheries (including giant clams and corals) in the case of Scarborough Shoal, and oil and natural gas deposits in the case of the Reed or Recto Bank.
- **The strategic or geopolitical issue** – who will control the important sea lanes in the South China/West Philippine Sea? This involves the strategic competition and geopolitical rivalry between the dominant power, the United States, and the rising power, China.

<sup>3</sup> Letter from China's U.N. Mission to U.N. Secretary General dated April 14, 2011.



### 3. Nine-Dash Line

Regarding the nine-dash line, the main problem is that it appears to be a line without coordinates on the map and thus it is ambiguous in its scope and meaning.

Moreover, the ancient historical documents and maps on which it is based are not considered as reliable and sufficient bases for territorial claims and have questionable value under international law.

As some international law scholars have pointed out, China's historical claim does not necessarily amount to a valid historical title to the Spratlys and Scarborough Shoal. China still has to show that it exercised effective occupation and sovereignty over these features over a long and continuous period of time.

But what complicates the problem is that China considers the South China Sea issue as one involving its national sovereignty and territorial integrity and hence one that concerns its "core national interest."

China defines its core interests as national security, regime survival and stability; sustained economic development; and national sovereignty and territorial integrity. A core interest, in China's view, is one that it is willing to defend with all possible means, including the use of force if necessary.

National sovereignty as a core interest has usually referred to the issues of Taiwan and Tibet, but in recent years the islands in China's "near seas" – the East China Sea and South China Sea – have risen in importance in China's agenda of issues involving Chinese sovereignty.

### 4. Hawks vs. Doves

Behind this development is the policy debate between

nationalist hardliners and moderate reformists in China—between the "hawks" and the "doves."

The "hawks" have their bastion of support in the military and the ranks of jingoistic netizens who advocate "national sovereignty above all" and oppose "yielding an inch of Chinese territory to foreigners."

The "doves" are identified with those in the leadership, the academe and media who advocate the "peaceful development" of China as a responsible major power that will abide by international law and co-exist peacefully with its neighbors and the international community.

The recent policy guidelines adopted by the new Chinese leadership in the realm of foreign policy reflected a compromise between the "hawks" and the "doves." On one hand, the new leadership conveyed a message of reassurance by reiterating China's path of peaceful development and its policy of settling disputes peacefully.

But at the same time it stressed that China will remain firm on issues involving sovereignty and territorial integrity.

It remains to be seen how China under its new leadership will handle its territorial and maritime disputes with its neighbors in the coming months.

What is clear is that the new leaders cannot afford to look weak on the issue of national sovereignty while they consolidate their position. As a result, they may choose to respond strongly to what they consider as a foreign challenge.

In a sense, dealing with China at present is like dealing with a wounded dragon and, when challenged on the issue of national sovereignty, this dragon responds by breathing fire on its challengers.

China's new leaders face a crossroads: Will they proceed on the path of peaceful development and good-neighborly relations or will they succumb to ultra-nationalism and pursue territorial claims at all cost?



## 5. Proceed with Caution

How then to deal with China? It is advisable to proceed with caution and restraint, but without fear. The key is to seek a peaceful, diplomatic solution that will be mutually beneficial; in other words, how to find a win-win formula. Brinkmanship can only lead to a dead-end, if not a disaster.

Of course, this is easier said than done and, as the saying goes, the devil will be in the details.

But the basic approach should be to engage China while at the same time hedging our bets and preparing for any eventuality. That is, a combination of engagement and hedging.

To engage China means to persist in diplomacy and manage the territorial and maritime disputes, while seeking to restore normal ties and friendly cooperation. We must separate the sovereignty issue from trade and economic relations and other aspects of the bilateral ties. The immediate goal should be to restore tourism and trade with China and hopefully return to the situation before the standoff last April.

Regarding Recto Bank, the Chinese have called for joint exploitation and are opposed to any unilateral move. The way out may depend on our business sector and its Chinese counterpart and their ability to work out a contract or formula that is satisfactory to all sides.

To hedge and prepare for any eventuality means to build a minimum credible defense and to line up support from our allies and friends. Needless to say, we should be clear that while we have shared values and interests with the U.S., we cannot expect it to fight a war on our behalf, much less fight a war with China, given the extensive economic interests between the U.S. and China.

In particular, we have to do more work with our neighbors in ASEAN. What transpired during the ASEAN meeting in

Cambodia in July 2012 revealed the disunity within the regional organization, with China relying on its close ties with Cambodia to work on its behalf.

What is clear is that the next diplomatic round to pursue a binding ASEAN code of conduct with China will be a tough and intense battle. The road ahead for Philippine diplomacy will certainly be a challenging one.

Moreover, we have to learn from the lesson of Mischief Reef and build up our capability to monitor and conduct surveillance on the disputed islands and reefs. That is, we need to develop our maritime domain awareness so that we can have a timely reaction to any developing situation while being fully aware of the risks involved.

In a recent speech by Foreign Affairs Secretary Albert del Rosario, he referred to the provision in the Philippine Constitution calling for an independent foreign policy and the need to be a friend to all and an enemy towards none. These ideas are certainly worth pursuing as we seek to advance our national interests.

In conclusion, there is an old African saying that goes like this, "When two elephants fight, it is the grass that gets trampled upon."

In light of the growing geopolitical rivalry in our region, there is certainly a lesson in this saying for the Philippines.