

## WORLD POLITICS REVIEW

# What the Three Main Narratives About the South China Sea Ruling Ignore

Fabio Scarpello | Thursday, July 28, 2016



*Soldiers from the Chinese People's Liberation Army Navy watch as the USS Blue Ridge arrives at a port in Shanghai, May 6, 2016 (AP photo).*

The ruling earlier this month by the Permanent Court of Arbitration in The Hague in favor of the Philippines in its dispute with China over some of the islands in the South China Sea has spurred a wealth of commentary, forecasts and questions. Three main narratives have emerged.

The first centers on the respect of international law that is enshrined in the liberal order. Some observers have stressed that the international tribunal's ruling strengthens the liberal order, while others see Beijing's rejection of it as a test (<http://www.newmandala.org/major-powers-behaving-badly/>) or even a threat to the liberal order itself (<http://nationalinterest.org/feature/the-hague-has-ruled-against-china-time-enforce-it-16939>). Many Western policymakers favor this narrative. U.S. Vice President Joe Biden, for example, warned that China must abide by the same international rules as everyone else. In an interview with the Sydney Morning Herald after the ruling, he said that the United States was working "with Australia and countries throughout the region, to insist that the liberal international order be maintained (<http://www.smh.com.au/federal-politics/political-news/joe-biden-in-australia-vicepresident-attacks-gathering-forces-of-racism-in-us-and-australia-20160715-gq6cgb.html>)."

The second narrative centers on the supposedly monolithic nature of the Chinese state. Questions, expectations and worries about the ruling's impact have thus been framed largely around what China will do (<http://www.eastasiaforum.org/2016/07/23/what-happens-now-in-the-south-china-sea/>) or should do (<https://www.project-syndicate.org/commentary/australia-rules-based-defense-strategy-by-gareth-evans-2016-04>).

The third narrative views the South China Sea dispute through the lens of geopolitics (<http://www.lowyinterpreter.org/post/2016/03/01/The-strategic-significance-of-Chinas-Woody-Island-power-play.aspx>) and struggles over resources. The running themes of this narrative include China's rise and, with it, its assertion of control over what is simultaneously its backyard, one of the world's busiest international sea lanes, and the site of potential oil and gas reserves (<http://www.crisisgroup.org/en/regions/asia/north-east-asia/china/275-stirring-up-the-south-china-sea-iv-oil-in-troubled-waters.aspx>) as well as lucrative fishing grounds. Some have recently even

talked about preparing for a possible war over the South China Sea (<http://www.lowyinterpreter.org/post/2016/03/04/Its-time-we-talked-about-war-with-China.aspx>), or how best to avoid one (<http://thediplomat.com/2016/07/how-to-avoid-war-in-the-south-china-sea/>).

However prevalent, these narratives do not explain everything.

The tribunal's ruling strengthens the liberal order in so far as it represents a legal precedent that will work as a reference in future discussions. But it neither determines what will happen next, nor will China's reaction necessarily be a test for or a threat to the liberal order.

Political scientist G. John Ikenberry has argued that the liberal order has four key characteristics ([https://www.chathamhouse.org/sites/files/chathamhouse/field/field\\_document/20140507RiseofChina.pdf](https://www.chathamhouse.org/sites/files/chathamhouse/field/field_document/20140507RiseofChina.pdf)). First, it is able to integrate new members, as it has done in the past 60 to 70 years, first with Germany and Japan and, most recently, with China. Second, it is an order based on shared leadership with a number of "elastic" forums, such as the G-7, the G-20 and the United Nations Security Council. Third, it is geared toward sharing the benefits of capitalist development, at least compared to old European empires of the past. And fourth, it is able to accommodate differences. Regarding that final characteristic, Ikenberry mentioned development strategies and different ideologies of development.

To Ikenberry's list we could add the order's ability to withstand selective compliance. After all, the key test to the liberal order has historically been the United States' own selective ratification of conventions and compliance with rulings of international institutions. Ironically, the Hague tribunal's ruling on the South China Sea was based on the U.N. Convention on the Law of the Sea (UNCLOS), an agreement to which the U.S. is not a signatory, although Washington does recognize it as customary law.

***China's reaction to the tribunal's ruling will not necessarily be a test for or a threat to the liberal order.***

In Asia, Australia withdrew from UNCLOS' maritime boundary jurisdiction (<http://insidestory.org.au/turbulence-in-the-timor-sea/>) two months before East Timor's independence in 2002. That has allowed Australia to ignore East Timor's calls to renegotiate maritime boundaries, and to continue exploiting gas reserves in the Timor Sea (<http://www.smh.com.au/comment/australia-is-guilty-of-the-same-misconduct-as-china-over-our-treatment-of-east-timor-20160713-gq54u0.html>) that would most likely be awarded to the impoverished Southeast Asian nation by the tribunal. Yet Washington and Canberra insist China complies with rules that even they do not fully

accept.

These are just two examples, but there are many more—from NATO’s intervention in Kosovo in 1999, launched without the prior approval of the Security Council; to numerous countries’ noncompliance with World Trade Organization rules; to North Korea, India, Pakistan and Israel’s refusal to sign—or in the case of Pyongyang, its withdrawal from—the Nuclear Nonproliferation Treaty. They all show that the liberal order has a history of selective participation and compliance. Nevertheless, it remains an important structuring force in global affairs and, whether one agrees with it or not, there is no competing global organizing logic.

Indeed, the relative rise of the original BRIC countries—Brazil, Russia, India and China—as well as other middle powers, such as Indonesia, has not led to the tectonic shift to the liberal order that the U.S. National Intelligence Council predicted in an influential report in 2004 ([https://www.dni.gov/files/documents/Global%20Trends\\_Mapping%20the%20Global%20Future%202020%20Project.pdf](https://www.dni.gov/files/documents/Global%20Trends_Mapping%20the%20Global%20Future%202020%20Project.pdf)). Despite warnings otherwise, the liberal order is unlikely to fail the Chinese test or be threatened by Beijing’s selective compliance. Assessments to the contrary betray biased views that support Washington’s exceptionalism.

Of course, forecasts are fraught with pitfalls. In this case, analysts’ guessing games are further weakened by the puzzling yet widespread idea of a Chinese Leviathan that has full control over the state and all of its actions, whether at home or abroad. This is simply incorrect.

Xiaobo Su, among other Sinologists, has argued that the Chinese state has actually undergone extensive disaggregation (<http://geography.uoregon.edu/profile/xiaobo/>), decentralization and internationalization since the late 1970s. According to political scientists Shahar Hameri and Lee Jones (<http://ejt.sagepub.com/content/early/2015/04/16/1354066115578952>), the reality of Chinese foreign policy is that the Ministry of Foreign Affairs competes with a dozen other actors that also have roles in international affairs, including the Ministry of Finance, state security apparatuses, the Central Bank, the National Development and Reform Commission, the Chinese Communist Party’s International Department, and major state-owned enterprises.

Specific to the South China Sea, the Ministry of Foreign Affairs is often bypassed by national and subnational agencies that also have some jurisdiction there, as the International Crisis Group explained in a 2012 report ([http://www.crisisgroup.org/~media/Files/asia/north-east-asia/223-stirring-up-the-south-china-sea-i.pdf](http://www.crisisgroup.org/~/media/Files/asia/north-east-asia/223-stirring-up-the-south-china-sea-i.pdf)). These include the Ministry of Agriculture’s Bureau of Fisheries Administration, China Marine Surveillance (since merged with the Chinese Coast Guard), provincial governments, the Chinese navy, National oil companies and six law enforcement agencies under four different ministries. Militias have lately been added to the mix ([https://www.washingtonpost.com/world/asia\\_pacific/fishing-fleet-puts-china-on-collision-course-with-neighbors-in-south-china-sea/2016/04/12/8a6a9e3c-fff3-11e5-8bb1-f124a43f84dc\\_story.html](https://www.washingtonpost.com/world/asia_pacific/fishing-fleet-puts-china-on-collision-course-with-neighbors-in-south-china-sea/2016/04/12/8a6a9e3c-fff3-11e5-8bb1-f124a43f84dc_story.html)).

Indeed, careful analyses of the recent developments in the South China Sea have shown that the Ministry of Foreign Affairs has often played catch-up to moves made by other Chinese institutions. There is no single coherent and centralized Chinese policy in the South China Sea, and there is no indication that this is likely to change. Yet the Leviathan narrative persists.

Finally, and briefly, while there certainly is a geopolitical element to the South China Sea disputes, China's progressive assertiveness in the region also needs to be explained through the lens of the structural changes to its economy over the past decade.

China's economic model was until recently based on cheap labor mass-producing goods for the export market. This led to a huge flow of internal migrants and rapid urbanization. Now, the country is transitioning to a more innovative, consumer-driven economy (<https://www.project-syndicate.org/commentary/china-crisis-false-alarm-by-stephen-s--roach-2016-01>). The transition is painful, resisted and contested. Factories have been closed, wages cut, workers laid off, and people forced to return to their villages. Protests have increased ([https://www.washingtonpost.com/world/asia\\_pacific/strikes-and-workers-protests-multiply-in-china-testing-party-authority/2016/02/24/caba321c-b3c8-11e5-8abc-d09392edc612\\_story.html](https://www.washingtonpost.com/world/asia_pacific/strikes-and-workers-protests-multiply-in-china-testing-party-authority/2016/02/24/caba321c-b3c8-11e5-8abc-d09392edc612_story.html)), denting China's developmental credentials.

In response, Beijing has intensified a crackdown on dissent (<http://www.nybooks.com/articles/2016/04/21/crackdown-in-china-worse-and-worse/>). It has also turned up the rhetoric on the South China Sea, which fuels nationalism and contributes to deflecting people's attention away from the woes of modernization. Maybe the real threat to the liberal order comes from the factories being shuttered in the Chinese province of Guangdong, rather than land reclamation in the Spratly Islands.

*Fabio Scarpello is a research fellow at the Asia Research Centre at Murdoch University. He can be reach at [F.Scarpello@murdoch.edu.au](mailto:F.Scarpello@murdoch.edu.au).*