Tensions in Asia's territorial disputes continue to escalate. A dangerous mix of nationalist sentiments and domestic politics in China, Japan, South Korea, Vietnam and the Philippines, have exacerbated long simmering disputes over several island clusters throughout the region.

One such dispute between Japan and China over the Senkaku/Diaoyu Islands had U.S. Secretary of Defense discussing unmanned aerial vehicle (UAV) patrols with his Japanese counterpart. A flotilla of 20 Japanese boats was en route at time of writing, and looks to cause further immediate headaches for politicians in Beijing and Tokyo. Protests against “Japanese aggression” were held in Beijing, Shanghai, Changsha and Hong Kong following postings on the social network site Weibo, which were quickly censored and removed.

Meanwhile, South Korea and Japan have locked horns over the Dokdo/Takeshima Islands, two countries which, until recently, worked together against China’s rise with joint naval exercises and resource stockpiling. The dispute with Japan erupted when President Lee Myung-bak visited the islands in early August sparking a diplomatic row, which gained further airplay during the Olympic Games due to the exploits of a Korean football player. The tensions appear to have already reignited old grievances from Japan’s long occupation of the Peninsula and soured what was proving a stronger alliance in intelligence sharing and overall cooperation.

Russia has also weighed in on territorial claims. In July, Prime Minister Medvedev visited Kunashiri, one of four islands off Hokkaido that Japan claims as its own. The visit was one of opportunism while most eyes were trained on the South China Sea, and opens yet another frontier for Japanese diplomacy to navigate. Indeed, Russia holds a further hand in the disputes supplying Vietnam’s six Kilo-class diesel submarines – which remain to be delivered. The procurement will help build Vietnam’s capability for limited sea denial around specific waters. Meanwhile, in April this year Russia staged joint naval exercises with China in the Yellow Sea.

**Stirring the South China Sea**

At the heart of the Spratly and Paracel islands dispute is control of the all important sea lines of communication (SLOCs) that run through the South China Sea, and act as the maritime superhighway for China and its neighbors, while also being of tremendous importance to global trade. Of similar importance is ownership over valuable fisheries, minerals and hydrocarbons in the South China Sea, the East Sea, and the Sea of Okhotsk.

The stakes have recently been raised. Formally established on the 24th of July, Sansha city will hold a military garrison and act as China’s administrative capital for all that lies south of Hainan. The creation of the administrative capital, on an island 220 miles south from Hainan province in the South China Sea, drew criticism from the U.S. and Asian states. Two weeks after the establishment, the Congressional Research Service released a report for dis-
discussion in Congress on China’s military modernization and implications for the U.S. Navy. In the corridors of Capital Hill whispers of a last resort U.S. military strategy targeting China are reported to have echoed louder than before. The bellicose rhetoric could be found on both sides of the Pacific.

For Vietnam the creation of the garrison evokes memories of the 1974 Battle for the Paracel Islands. In the battle, China led a successful sea assault supported by an air attack launched from Hainan and forced a Vietnamese retreat, leaving over 70 dead. The capability of the PLAN and the PLAAF has increased significantly since then.

All eyes are now on the U.S. It has pledged its commitment to greater involvement in the Asia-Pacific. Joint naval exercises have been undertaken with several Asian states. Yet it remains unclear whether it will honor long-standing agreements such as the Mutual Defense Treaties with the Philippines (1951), Australia and New Zealand (1951), Japan (1951), and South Korea (1953). This would either pit the U.S. against China, or severely deflate the current chest puffing of smaller Asian states as they realize that they are on their own. China knows it has some leeway in an election year in the U.S.; the Obama administration will not cast the first stone.

While many analysts have long argued that any major open conflict in the South China Sea is unlikely due to the negative economic impact such conflict in the SLOC could have, the opening of two shipping lanes in the Arctic – the Northeast Passage and the Northwest Passage – could soon provide China with an alternative route to Europe and the Pacific ports. Trade between Asia could continue, albeit more limited, even if “sea denial” of the South China Sea occurred. It is therefore no surprise that China has been vocal in the Arctic Council, vying for a louder voice, and has in the past month opened an Institute for Artic Studies in cooperation with Iceland.

Internal troubles and rising nationalism
“Conflicting mandates” and “a lack of coordination among Chinese government agencies” were said to plague the Chinese government according to an International Crisis Group report published in April. Military and civil society are jockeying for influence. The military have traditionally held great sway in power transitions in the People’s Republic of China. Yet in recent decades, following the passing of China’s founding generation of revolutionary leaders, the bifurcation of civil and military elites into their respective institutions has reduced the military’s sway in the Politburo and thus in the power transition. Meanwhile, the power and influence of the administrators of large provinces, which collect big taxes and control populations similar to that of European countries, is always looming in the wings. In what is a year of transition for the Chinese government, the implications of a civil-military power struggle could have dire consequences on the South China Sea dispute. Competing interests may lead to a break down in centralized decision-making and the ability to diffuse any conflict.

The media across the region are continuing to nationalize the South China Sea issue through bellicose rhetoric, perhaps no more so than in China. In a year that marks the 600th anniversary of Chinese seafarer Zheng He’s expeditions across Asia, it should come as no surprise that nationalist sentiments are high. Cultural mobilization has been a key element of binding the populous country together; the most striking example of which was Mao Zedong’s Cultural Revolution. Further, it should come as a no surprise that increased national unity has been a key issue in a year where a transition of power is to happen at the highest echelons of government, and in a year where global economic turbulence, particularly that in Europe, continues to threaten the trade balances and therefore employment of hundreds of millions of Chinese workers. National unity is necessary to prevent internal unrest.

The problem of course with any such cultural drum-up is that it provokes the masses. Which in turn has implications that complicate centralized control. Fishing vessels stretch further into the resource-rich waters backed by the cultural drumming. A navy, which still lacks a blue-water capacity and which requires continued modernization, sees an opportunity to jump on the back of the cultural dragon to justify or increase its slice of the budget pie. Meanwhile, at home, protests and mass rallies demand action from the government.
Calming the Seas

Further confidence-building measures and dialogues are needed between the claimant states. The U.S. should sign the UN Convention on the Law of the Sea (UNCLOS), which would provide for a framework to resolve territorial disputes at an international level. Until it does it has no authority to censure signatories, such as China for upholding their claims. Yet any move toward signing of the UNCLOS has been blocked in the U.S. Senate. Despite superior naval capabilities, the U.S. is hampered by the lack of credibility from having not ratified that document. Although, that the UN could act as a forum for negotiation is hopeful at best, and reckless at worst. Nationalist sentiments run high, and there is a lot to lose through UN moderation, namely for China who can negotiate much more favorable resolutions on a bilateral basis. Yet there remains a view, cocksure and boisterous, that conflict is impossible due to the economic-integration between the China and the U.S.

How these crises are managed, in particular the escalating nationalism in China, Japan, South Korea, Vietnam and the Philippines, will give great indication whether conflict can be averted in the all important South China Sea dispute. Indeed the recent territorial disputes in Northeast Asia appear as litmus tests for the response further south. Yet the immediate danger is in the unpredictability of growing nationalism coupled with the actions of an overzealous fishing trawler or a flotilla of activists.

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