



CHINA

VIETNAM

HAINAN CHINE

# PARACEL ISLANDS



QUAN DAO HOANG SA  
HSI-SHA CH'ÜN-TAO

**THE RISKS OF UNSOLVED AREA CONFLICT**

Ngo Vinh Long  
Marvin Kalb  
J. D. Bindenagel  
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Editor: Roland Schatz

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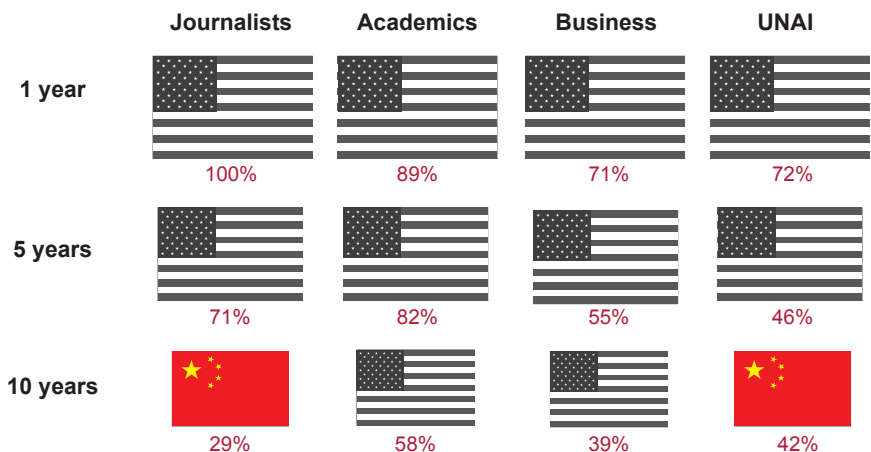
# Heading towards conflict or economic stability?

The Global Agenda Index 2014 White Paper carried out by Media Tenor in partnership with the United Nations Academic Impact program (UNAI) and Erasmus University at Rotterdam was presented at the Reputation Lab in Davos on January 23, 2014. On that day nearly no one suspected what would start in the last days of the Olympic Winter Games at Sochi. By annexing the half peninsula Crimea by a well-organized referendum Russia revived the power pattern empire.

On January 17, 1974 China annexed the Paracel Islands by military force. Until then the group of about 130 small coral islands and reefs had belonged so South Vietnam. 40 years later on January 17, 2014 Roland Schatz, Founder and CEO of Media Tenor, reminded on this unsolved conflict in a hearing of experts from Brookings and Harvard in Washington D.C., and the European School for Management and Technology in Berlin to discuss how to find solutions.

The reasons for Media Tenor to focus on the Paracel Islands were several findings of the Global Agenda Index 2014 (GAI). Two out of the four groups of the survey's participants identified China to become the most important country in 10 years.

## GAI survey participants: Share of respondents who identified the most important country in 1-5 years time



Basis: 202 respondents from Media Tenor GAI survey

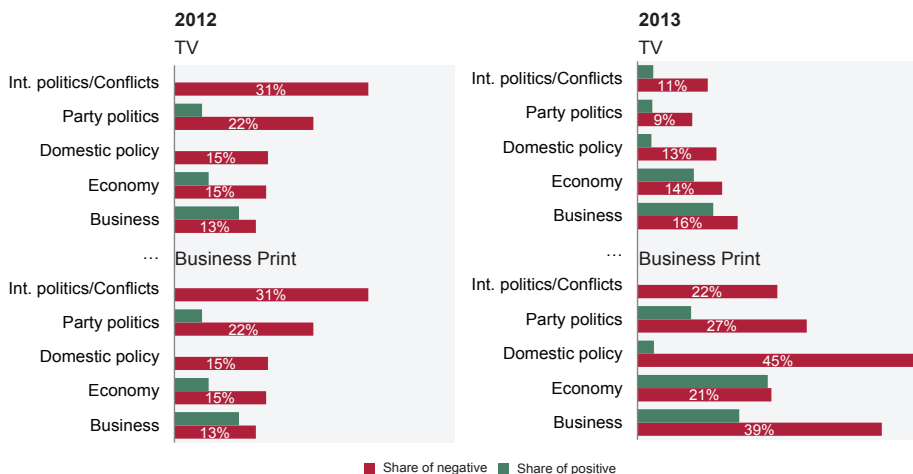
On the perceptions of Asia the GAI 2014 White Paper says: Last year's survey respondents put East Asia, particularly China, at the forefront as the most important country and

region by 2030. Despite China's aging population and environmental concerns, change in leadership over the last year was in the spotlight, mainly for business print media. However, sentiment has been more negative than positive.

Business print media such as Financial Times Europe, Wall Street Journal US and France's Les Echos also raised Japan to the spotlight in 2013 as Shinzo Abe implemented a three-tiered economic plan to increase Japan's competitiveness. Overall media opinion seems neutral as the world waits to see how Abe's reforms pan out, but it is a rivaling perceptions of China's leadership in the region, especially with conflict over disputed islands shaping media reporting on the Asian region.

Overall, foreign TV news and business papers reporting on China have negatively focused on international conflicts and relations with neighboring countries. Most significantly, global TV has drastically reported less negatively on conflict compared to 2012, with shares of negative commentary dropping 20 percent. Business media has also been less negative on conflict but has drastically increased negativity on China's business activity and domestic policies.

### Foreign TV reports on China: Top issues and tonality



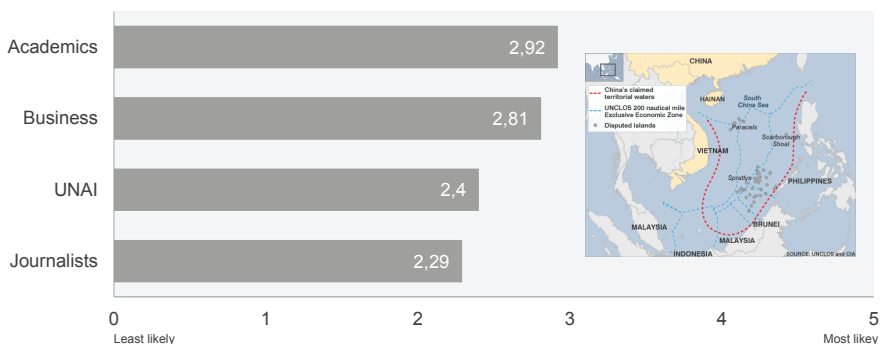
Basis: 395,447 reports in 2012 on 30 global TV news programs and 593,214 reports in 2013 on global TV news programs

When opinion-leaders were asked if they thought that territorial claims in the South China Sea will lead to conflict in the next ten years, a majority of the participants expressed that it is less likely. This may be a result of both TV news and business papers being less

negative about conflict and international politics in general. However, overall tonality of reporting on China, in particular, is marked by a trend of high negativity. This begs the question, which factors are driving the elite opinion of Asia's future.

Business media do show much higher shares of positive tonality towards China's economy and policy. In turn, helping to explain the elite optimism that a more integrated Asian economy may help to deter conflict in future. Looking at the likelihood of conflict seen by the survey participants the Academics and Business groups' perspectives may result from being closer to the subject. Where to the conflicts between China and its neighbors around the South China Sea might lead the findings of the Global Agenda Index 2015 will show.

### GAI Survey participants: Likelihood Territorial claims in the South China Sea will lead to conflict within the next 5 years



Basis: 202 respondents from Media Tenor GAI Survey

The Vietnamese government did not celebrate the 40<sup>th</sup> anniversary of China's invasion of the Paracel Islands. But Vietnamese media for the first time reported on the historic event, and on activists who publicly were waving banners and shouting "Hoang Sa (Paracels), Truong Sa (Spratlys) belong to Vietnam!" Authorities in central Vietnam organized exhibitions and workshops marking China's illegal occupation of the islands.

A memorial service was held on April 23 on the Truong Sa (Spratly) Archipelago to honor 64 fallen sailors from the Vietnam People's Navy who died battling the Chinese in 1988, Tuoi Tre (Youth) newspaper reported. A delegation of overseas Vietnamese from more than 20 countries stood alongside former Vietnam Navy sailors and the families of soldiers from the Republic of Vietnam (South Vietnam), who died during the Battle of the Hoang Sa (Paracel) Islands between China and the Republic of Vietnam in 1974. According to Thanh Nien News Nguyen Thanh Son, Deputy Minister of Foreign Affairs said that Vietnam is determined to protect its sovereignty and noted that contributions



from overseas Vietnamese communities will prove significant to the country's continued security and development.

The fact that Russia took over Crimea from Ukraine with relative ease, but without effective response by the European Union and the United States, has caused great concerns to many countries in Northeast Asia to Southeast Asia. The fear is that this encourages China to keep on taking over more territory in the East and South China Seas, and there would be little that the United States and its allies could do to stop it.

Today it may be too visionary but believing in the inherent persuasiveness power of global economy an internationalized South China Sea zone supervised by a special UN unit seems an obvious solution.

At the above hearing in Washington D.C. and Berlin on January 17, 2014 the participating experts presented their views on the unsolved questions in the South China Sea. Some month later in the wake of the annexation of Crimea and many open questions on Ukraine and the resulting tensions between Russia and the West the participants of the hearing contributed updated versions of their views on the Paracel Islands. Here they are.

# **Silkworms gnawing on mulberry leaves – or salami slicing**

## *China's strategy in the South China Sea*

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**Ngo Vinh Long**

From January 17 to 19, 1974, China used force to occupy the Paracel Islands, which was at that time under the administration of the Republic of Vietnam (“South Vietnam”). China employed 11 warships and many airplanes in the attack, killing 74 Vietnamese sailors in the process. Since the Republic of Vietnam was at that time an ally of the United States, its government and navy officially asked the U.S. Seventh Fleet to intervene on their behalf. But the Seventh Fleet even refused to help rescue the wounded Vietnamese sailors who were floating on the high sea. Twenty three of these sailors were later picked up by a boat named Skopionella owned by Shell, the Dutch oil company.

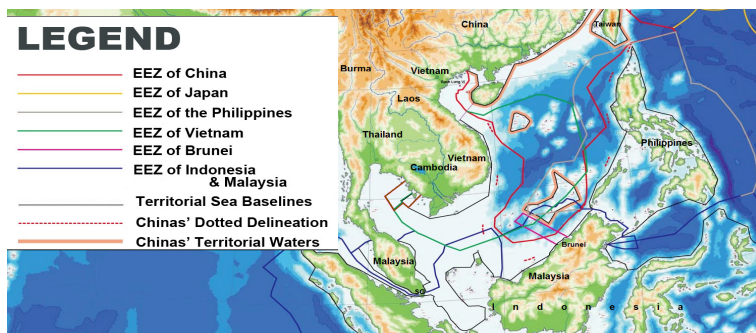
According to de-classified documents the American Consulate in Hong Kong had warned the U.S. State Department of the impending attack almost a year before the actual event but the U.S. government ignored it and failed to warn the Saigon regime. State Department documents also revealed that on January 25, 1974, there was a meeting on the situation in Southeast Asia chaired by Secretary of State Henry Kissinger in which Admiral Thomas H. Moorer, then the Chairman of the Joint Chiefs of Staff, reported that he had ordered American forces to stay clear of the conflicts in the entire South China Sea. Henry Kissinger concurred.

The South China Sea connects the western Pacific with the Indian Ocean and hence with the rest of the world. Historically its sea-lanes have perhaps been most vital to global sea-borne commercial activities. And partly because of its position straddling the South China Sea and the Indian Ocean, most of Southeast Asia was embroiled in the commercial streams that swept through the region during the first period of globalization that precipitated the colonization of most of the area. The process of decolonization also brought much turmoil to the region.

During the current period of globalization, about 90 percent of the global trade is sea-borne and more than half of this trade has been going through the South China Sea region again. As a result, this trade has promoted development for most of the countries in Asia and many others elsewhere as well. However, emboldened by the fact that it was able to take over the Paracels without inviting any criticism from the United States China

began to launch increasing assertive measures aimed at controlling the entire South China Sea region.

In 1988, China took over possession of the Johnson Reef in the Spratlys from the Vietnamese. Chinese gunboats sank Vietnamese transport ships supporting a landing party of Vietnamese soldiers, killing 64 Vietnamese soldiers and injuring many others. In 1995 China also took over the Mischief Reef, which is approximately 250 kilometers West of the Palawan, the Philippines's nearest land mass, and proceeded immediately with the construction of military structures on the Reef. In April 2012, Chinese maritime enforcement began a protracted takeover of the Scarborough Reef, located about 230 kilometers from Luzon and well within the Philippines' Exclusive Economic Zones (EEZs), according to the 1982 United Nations Convention on the Law of the Sea (UNCLOS) that China had signed.



Then on the 21st of June 2012 China's State Council announced the establishment of the City of Sansha ("three sands"), a prefectural-level city to be headquartered on Woody Island in the disputed Paracels, to directly administer "the Xisha, Nansha, Zhongsha islands and their adjacent islets and waters." Xisha ("western sands"), Nansha ("southern sands"), and Zhongsha ("middle sands") are Chinese names of three disputed archipelagos—the Paracels, the Spratlys, and the Macclesfield Banks—respectively. On July 24, 2012, Sansha officially announced that it had established a prefectural government; and the People's Liberation Army also said that it would soon establish a military garrison there to serve as the command headquarters for military units operating in the South China Sea area. In January 2014 the authorities of Hainan island, China's southernmost province where China's entire Marine Force some 20,000 soldiers are now stationed, issued an order requiring foreign fishing vessels working in most of the South China Sea to first obtain fishing permits from the Hainan administration. Those authorities also announced that they reserved the right to board any boat passing by the region at any time for inspection.

When the U.S. State Department expressed concern over China's establishment of a prefectural-level city on Woody Island Beijing summoned the US embassy's deputy chief of mission Robert Wang to lodge "strong dissatisfaction." The statement by the read by deputy spokesman Patrick Ventrell on August 3, 2012 included the following sentence: "In particular, China's upgrading of the administrative level of Sansha City and establishment of a new military garrison there covering disputed areas of the South China Sea run counter to collaborative diplomatic efforts to resolve differences and risk further escalating tensions in the region."

"South China Sea: Beijing attacks US "trouble-making," BBC News, 6 August 2012; <http://www.bbc.co.uk/news/world-asia-19144740?print=true>

On August 6, the *People's Daily* went further, as quoted by BBC News: "The statement by the US side confuses right and wrong, strongly misleads public opinion, sends the wrong signal and should be sternly refuted... We can completely shout to the US: Shut up." And *China Daily* wrote in its editorial on the same day: "If the White House is interested in restoring peace in the South China Sea, it should talk to the real trouble-makers into behaving. The truth, however, is that it has been instigating the other countries in the disputes and even arming them, while blaming China for its defensive moves."

"South China Sea: Beijing attacks US "trouble-making," BBC News, 6 August 2012; <http://www.bbc.co.uk/news/world-asia-19144740?print=true>

On August 3, Chinese foreign spokesman Qin Gang also issued a separate statement that repeated China's contention that it has absolute sovereignty over the sea and the islands in question, and the right to set up a city to administer the region.

"US and China argue over South China Sea," <http://www.ft.com/int/cms/s/0/0c095378-dec6-11e1-b615-00144feab49a.html#axzz233noZ25S>

Many countries in Southeast Asia - among them the Philippines and Vietnam - protested the above provocative actions by China, especially the establishment of the new military garrison. But it seems that China wanted to single out the United States for expressing concerns because politeness on the part of the United States could be insinuated as a sign of weakness, compromise, or acquiescence. In turn, this could be used to intimidate neighboring countries while rallying nationalistic support at home. This, then, could be the reason why the Chinese foreign minister, Yang Jiechi, declared flatly during a four-hour appearance on September 5, 2012 with U.S. Secretary of State Hillary Rodham Clinton in the Great Hall of the People on Tiananmen Square that "China has sovereignty over the islands of the South China Sea and the adjacent waters. There is plentiful historical and jurisprudential evidence for that."

"No Movement on Major Disputes as Clinton Meets with Chinese Leaders," *The New York Times*; [http://www.nytimes.com/2012/09/06/world/asia/no-movement-on-key-di...-clinton-meets-with-chinese-leaders.html?\\_r=2&emc=tnt&tntemail0=y](http://www.nytimes.com/2012/09/06/world/asia/no-movement-on-key-di...-clinton-meets-with-chinese-leaders.html?_r=2&emc=tnt&tntemail0=y)

But even if China could hypothetically claim sovereignty over the disputed islands in the South China Sea and exclusive zones as well as continental shelf rights around them, there is no way China could justify the U-shaped line since for the most part it cuts deeply into the EEZs and undisputed territories of other countries. But it seems that China's intention is also to turn undisputed territories into disputed areas in order to be able to throw its weight around and force other countries to yield to its demands - bit by bit - not only in the South China Sea but also in other domains. This is the practice known in China as "silkworms gnawing on mulberry leaves," or salami-slicing in western parlance.

The fact that Russia took over Crimea from Ukraine with relative ease, but without effective response by the European Union and the United States, has caused great concerns to many countries in Northeast Asia to Southeast Asia. The fear is that this would further encourage China to keep on taking over more territory in the East and South China Seas through salami-slicing and there would be little that the United States and its allies could do to stop it.

Concerned about China's increasing assertive measures, which currently include the move against Ayungin Island (Second Thomas Shoal) that is located well within the EEZ of the Phillipines, U.S. Defense Secretary Chuck Hagel, on the eve of a trip to China, said on April 6, 2014 (quoted by Reuters): "Great powers have great responsibilities. And China is a great power.... Something else that ... I will be talking with the Chinese about is respect for their neighbors. Coercion, intimidation is a very deadly thing that leads only to conflict," he said. All nations, all people deserve respect."

According a report in the official *China Daily* newspaper (April 10, 2014), however, after meeting with Chuck Hagel, Chinese Defense Minister Chang Wanquan said: "We will not compromise, nor concede, nor trade on territory and sovereignty. We will not tolerate these being infringed upon, even the least bit." According to a western news report, General Chang also "called on the United States to restrain ally Japan and chided another U.S. ally, the Philippines." To which, Hagel responded: "We have mutual self defense treaties with each of those two countries, and we are fully committed to those treaty obligations."

["U.S. defense chief gets earful as China visit exposes tensions" - Yahoo News 4/9/14, 7:20 AM.](#)

Under the circumstances, it has been widely stated in the western press that the President Obama's four-nation trip to Asia in April 2014 was to reassure nervous nations in the Asia-Pacific region. Marvin C. Ott, for example, has this to say in a commentary: "At its core, the President's trip is about shoring up America's strategic position in the region where the future is uncertain and in the balance. It is all about reassuring Asian governments (three allies, one friend) that the United States will remain a capable and

absolutely reliable defense presence in the region—i.e., the region’s primary military power and its security guarantor.”

<http://nationalinterest.org/commentary/obamas-goal-asia-reassure-nervous-allies-10332>

A report in the *New York Times* of President Obama’s trip to the four countries says in part:

As Mr. Obama has traveled from Japan to South Korea and, now, Malaysia, he has delivered a carefully calibrated message to reassure America’s friends of its support while discouraging the Chinese from any thoughts of opening a second front on the Pacific Rim....

“We’re interested in China’s peaceful rise and it being a responsible and powerful proponent of the rule of law,” Mr. Obama insisted. But he added, “In that role, it has to abide by certain norms.”

The president laid out a vivid case for why China should not mimic Russia’s adventurism. The escalating sanctions against Russia for its threats to Ukraine, he said, will weaken an economy already challenged by its reliance on oil and gas.

[http://www.nytimes.com/2014/04/27/world/asia/on-a-trip-thatavoids...ina.html?emc=edit\\_th\\_20140427&nl=todaysh\\_eadlines&nid=7245746&\\_r=0](http://www.nytimes.com/2014/04/27/world/asia/on-a-trip-thatavoids...ina.html?emc=edit_th_20140427&nl=todaysh_eadlines&nid=7245746&_r=0)

# Haunting Legacy

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## Marvin Kalb

The U.S. once did not enter the Vietnam War in a premeditated planned way. The U.S. stumbled into the Vietnam War even before it was a major war. It goes all the way back into President Truman and runs all the way to today's President Obama. Vietnam is one of these issues in U.S. history that people are going to study for decades and probably for hundreds of years from now to. Because it's a classic example how a great power gets itself involved in a faraway war that does not impinge on the national interests of the United States of America. Yet we sent 500,000 troops there and we lost 58,000 troops. There was a major military engagement that led to major social and economic disruptions in the U.S.

When Truman started the American involvement he was not with war on his mind. He was simply as a way of making the French happy so that they would join the U.S. in Western Europe in holding off an aggressive Soviet Union. So we conspired with the French to re-impose a kind of colonial rule in Indochina. And a lot of nationalist Vietnamese, both communists and non-communists, opposed the French coming back. The U.S. without a French side, where the French lost in 1954 Dien Bien Phu, the U.S. simply naturally absorbed French responsibility. That was the beginning of the slide into Vietnam, the legacy for every single American President since that time. President Obama right now is dealing with Afghanistan. He does not want to get trapped in Afghanistan in the same way the U.S. found itself trapped in Vietnam. How does an American President deal with small wars that are not in the direct national interest and yet maintain a position in the world as the remaining dominant power? Whether the United States is faced with hostages in Iran or a recalcitrant dictator in Iraq, the specter of Vietnam is always there. Vietnam has infiltrated the presidential DNA. Or to paraphrase Tolstoy: "All presidents reacted to the American defeat in Vietnam in the same way, except that each reacted in his own way."

Up until World War II the United States had a widely understood system. The Congress had distinct responsibilities and the President had others. The Congresses responsibility first was to declare war and secondly to provide the money to fight war. The President as commander in chief had other responsibilities. But the two of them came together. And when both sides, the executive and the legislative branch of government, felt that they were following the common interest of the nation, which is not necessarily true today, there was no conflict. Because both sides essentially had the same idea about the threats to American security interest, what each side ought to do to protect the nation.

There were five times in American history when declarations of war were proclaimed. The first one back in 1812 against the Brits, 1846 Mexicans, 1998 Spanish, World War I and World War II.

Since World War II the United States as we know have been involved in one war after another. And if you begin to explore the reasons why we got into each one of these wars there are specific reasons and overarching ones. One of the overarching reasons was that after World War II we suddenly found ourselves in a nuclear world. That had a profound effect on policy making because people in Congress felt that this was a decision if you go to war and you may have to use nuclear weapons that's a big time decision we let the President handle that. And we will deal with our other responsibilities like legislation. It started as a trickle but began to become a flow as we got about in the pre-9/11 period, but certainly post-9/11. The second factor was the rise of the Cold War. In the midst of the Cold War our thinking became over-simplified. If the Russians were in favor of something we generally opposed it and vice versa. If the Russians were making a move into Latin America we had to block it. It wasn't that we had to block it for special reasons of American interest except in that broad context of the Cold War.

The last time a declaration of war was used was in December 1941. Roosevelt went to Congress to nationalize an effort to defeat the Japanese. In others words, a declaration of war are a *cri de Coeur*, a cry from the heart, to the entire nation, we are now committed to war, we have got to do something about it, and we have got to win. It was a national effort. It was not a couple of guys banding together to do what it is to safeguard within the national interest of the country. We have to bare a statistic in mind to understand this point. We now have an all-volunteer military. This all-volunteer military in the United States represents 0.6 percent of the American people. 99.4 percent live behind the shield provided by 0.6 percent. And that both two worlds find themselves with a deeper chasm between. If you look right now to people who are in that 0.6 percent, when you go from one generation to the next, we find that the sons of the fathers in the service are now joining them. The kids who never joined them aren't joining up and don't even consider it their business. The other guys will take care of our military stuff, the President will take care, the people on the hill will take care, and it's not our business. There has become steadily a separation in America between the masses that are protected by a very, very small minority. A declaration of war would mean that the 99.4 percent also have to get into the act.

This is not a political statement. But when George W. Bush right after 9/11 asked the Congress for support he was going to do what he wanted to do anyway. And because of 9/11 the American people would have been prepared to do anything that the President wanted, any president. For George W. Bush get something what was representative by



the mood of the country and of its attitude toward foreign crisis. He told the American people to go shopping, some female remember that speech. You go shopping and in effect I take care of that problem. You guys do your thing and I'll take care of the war with my 0.6 percent. That attitude is to me unacceptable. Because when you go to war it should be if not a national commitment it should be something awfully close to it. Or else you don't go to war. Let the diplomats handle it. But if you are prepared to go to war all of us should be involved in that effort.

The very nature of the way in which we get into war has now become almost a personal prerogative of the President without a need necessarily to bring the country along with him. You try, you make a speech, you bring reporters in, give them all kind of documents that they run with, but that's not the same than a declaration of war. I think that there has been a shift in war-making capacity to the President that was never intended. That's an awful responsibility in the hands of one person with nobody there to say wait a minute. We have to find a way to reverse a never intended development.

# The challenge to turn enmity into amity

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**James D. Bindenagel**

It is ominous that China and Japan are currently so keen on butting heads. Japan's Prime Minister Shinzo Abe recently likened the tensions between Japan and China to the relationship between Germany as a rising power challenging the United Kingdom 100 years ago. People throughout Asia must nervously reflect on the hard lessons the Europeans learned. Europeans are revisiting the Great War on the 100th anniversary of its outbreak in August 1914 when Gavrilo Princip, a local terrorist in Serbia, not one of the major belligerent countries, assassinated the Archduke Franz Ferdinand of Austria and launched a global war. The failure of European leadership a century ago brought calamity to Europe.

However, behind leadership lurks the ghosts of nationalism past. The Europeans have indeed seen the rise again of ethnic nationalism coupled with the use of force employed by the Russians in Ukraine and recall the wars in Yugoslavia. They will also look to China/Japan as those countries manage the historical humiliations suffered by China and the inability of the Japanese apologies to get past the past, not to nationalism for internal support.

This is part of the sentiments that are surfacing in the competing claims for the Senkaku/Diaoyu Islands in the East China Sea. The lack of recognition of the wartime conquest of Nanjing and Prime Minister Abe's visit to the controversial Yasukuni shrine remain significant symbols of lack of justice for China. Japan and China seem caught in a cultural context where shame is associated with apology and the wounds of the Second World War sow seeds of nationalism.

In Europe, Putin's effort to shape current history based on Gorbachev's failure to prevent the collapse of the Soviet Union – in his mind, the “greatest geopolitical catastrophe of the 20th century” — may be completely misguided, but it is important to understand what drives him. After all, the sense of affliction and the appeal of ethnic nationalism are not just in his mind, but in the minds of many Russians.

Most concerning is rising nationalism, which has turned out badly in history. It is apparent that President Xi is promoting a return to the Chinese Nationalist past, including recognition of Confucius. There is increased interest in traditional Chinese culture to stabilize the country in the aftermath of great change, growing nationalism at the cost

of rule of law and collaboration with neighbors takes the country in the wrong direction. President Xi calls for “a Chinese dream” of a “great rejuvenation of the Chinese nation.” The first three priorities, according to him, are: restoring Taiwan to China, regaining the Diaoyu or Senkaku islands from Japan; and “taking back sovereignty of the South China Sea,” which is disputed by more than 10 countries. China is pressing its claims backed by force and undermining its peaceful rise to global power status.

The recent unilateral Chinese placement of a deep-sea oil rig to assert its claims to the disputed Paracel Islands alarmed the United States, Vietnam and others in East Asia. Despite all the anti-China sentiment and the overwhelming desire to defend its maritime territory, Vietnam has few options. Hanoi knows it needs stable relations with China. China’s neighbors will be forced to seek outside assistance and military cooperation to counterbalance a more aggressive China.

### **What practical steps would engagement entail?**

Despite growing nationalism that threatens China’s peaceful rise, efforts should be made to work cooperatively with China -- not to contain it. Japan, China, and others (Vietnam, Philippines) should set aside the unresolved issues and turn to joint management of national interests in fishing, energy and resource development. Codes of conduct in the East and South China Sea are necessary to manage maritime operations. Joint maritime policing, adherence to the Law of the Sea and maintenance of the freedom of the seas for shipping, could also help to avoid political miscalculation and military confrontation. Most important, the Chinese, Japanese and regional leaders should set aside the use of force to resolve tension, such as those over the Paracels, Senkaku/ Diaoyu, and other Islands.

Japan has a role as well and, “could and should have done much more to give real substance to its apologies, as the Germans have done. At least since 1970, Germany has taken a comprehensive and credible approach to atoning for its Nazi past, fully acknowledging its horrors in school curricula, graphically commemorating them in museums, monuments, and ceremonies, and employing official discourse that has been unflinchingly contrite.” (Lionel Barber, FT)

There is no denying that China suffered humiliation from the Japanese Imperial Army invasion in the Sino-Japanese Wars. Little wonder, given the absence of an apology from Japan, that the Second World War continues to feed Chinese anger. The longer term challenge, whether then in Europe with Russian ethnic nationalism or in Asia with Chinese nationalism, is how to turn enmity into amity. Then as now, the best way to proceed is to begin with small steps in the resolution of many disputes. And this is where Japan’s Prime Minister must do much more than (implicitly) point the finger at China.

The parties should engage with each other in clarifying narrative to promote mutual understanding and prevent angry populisms and xenophobic nationalism that can rebound to destroy leaders and countries. The United States should provide needed leadership among parties to create and share historical narratives that can lead to better understanding.

One way to better understanding can come from scenario building or storytelling, which are powerful tools. Scenarios should be built for Japan, Vietnam and China identifying young leaders from politics, business and academia to come together frequently to present their narratives and share comprehensive discussions on a broad range of issues to strengthen mutual understanding and cooperation.

In addition to young leaders, the countries' leaders should prepare a white paper on each one's understanding of their historic relations and contributions to peaceful relations since 1974. The Gulf of Tonkin-Hainan agreement between China and Vietnam is one example of a common approach can grow form shared historical narratives that can lead to better understanding,

The U.S. remains a Pacific power and will be engaged with all the parties in the region to play its role in maintaining peace and security. The Financial Times (May 2, 2014) reported that the "US president's approach is clear enough. Washington's response to China's rise has been to engage and hedge – to seek to draw Beijing into the international system while refurbishing its own regional alliances. More recently, Chinese assertiveness in the East and South China Seas has led US policy to tilt towards a sturdier "engage and compete".

## Paracel Islands – outlook 2014

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“In the wake of the Crimea annexation, Japan perceived the US as being hesitant and worried that Washington might neglect its ally should the long-standing islands dispute between Japan and China escalate”, the German radio channel Deutsche Welle (DW) reported on April 7, 2014, when US Secretary of Defense Chuck Hagel visited Japan.

In this case the islands meant are the Senkaku (Japanese) or Diaoyu (Chinese) Islands. But the same problem lasts on the Spratly Islands disputed by the Philippines, China, Brunei, Malaysia, Taiwan, and Vietnam, and the Paracel Islands between Vietnam and China. Despite the lasting debate on the area around these islands as one of the busiest shipping routes in the world they are said to be a potentially rich source of oil and gas.

Until recently many would have believed the U.N. or ASEAN could find a peaceful solution to be agreed by all or most involved states. The return of an east-west-conflict between U.S., EU and Russia raises the question if and how China may act in it, and possibly change its own mood in the South China Sea at all.

On his Asia visit Hagel publicly reminded China that the U.S. will continue playing a major role in the region, at the same time calling China a “great power” to face new and greater responsibilities too. President Obama some time before the Crimea crisis called Russia “a regional power”. No wonder quite a number of experts focus on China to see what actions this growing power player will take or not. No wonder the actual development let’s ask many which alternative global scenario will prove more likely.

- A revival of the transatlantic approach?
- A Eurasian cooperation - including Russia or excluding?
- Chimerica without Europe and Russia?
- Parallelisms of all together to keep options open as long as possible?

Chuck Hagel of course had to prepare Barack Obama’s following tour to the capitals of Japan, South Korea, Malaysia and the Philippines. The Ukrainian crisis casted an extra spotlight on the U.S. president’s Asian rally. At each capital Obama reassured the key allies of the U.S. upholding its defense commitments including their land and sea disputes with China. And nowhere the American President forgot to stress that his country’s goal is not to counter or contain China.

Therefore China’s answer was of utmost interest. CHINA DAILY in its edition for Europe gave us the picture in showing a selection of experts’ comments on April 30 already in its headline:

## Obama's Asia trip fails to achieve goals, experts say

As the dust settles on US President Barack Obama's Asian trip, it seems that Washington got less out of it than its hosts, but Beijing is now more aware of US intentions in the region, observers said.

During Obama's trip, Japan, South Korea, Malaysia and the Philippines have achieved their goal of a greater US security presence but have done little to advance the Trans-Pacific Partnership, a key strategic goal of Obama's economic policy.

"Though Obama tried to avoid directly confronting China during the four-nation visit, he did challenge Beijing by making strident remarks in Japan and signing a military agreement with the Philippines, a move China found provocative," said Sun Zhe, director of the Center of China-US Relations at Tsinghua University.

The International New York Times said in a front page story on Monday under the headline "Avoiding Beijing, but not ignoring it" that "on every stop of his Asian journey in the past week, President Obama has spoken to two audiences: America's allies and China".

Washington and Manila signed a decadelong agreement on Monday to allow a greater US military presence in the Philippines.

Obama warned on Tuesday against the use of force to resolve territorial disputes as he addressed US and Filipino forces in Manila.

"We believe that international law must be upheld, that freedom of navigation must be preserved and commerce must not be impeded. We believe that disputes must be resolved peacefully and not by intimidation or force," he said.

Beijing has said navigational freedom in the South China Sea has never been interrupted and that it believes negotiation is the best way to solve disputes.

Obama also assured Manila on Tuesday that a 1951 defense treaty between the two nations commits the US to defend the Philippines.

"And no potential aggressor can be under the illusion that either of them stands alone. In other words, our commitment to defend the Philippines is ironclad. The US will keep that commitment because allies will never stand alone," Obama said.

However, the US president did not give a clear-cut commitment to the Philippines that US military forces would come to its aid in the event of a conflict in the South China Sea.

This was in stark contrast to what Obama said in Japan where he said the defense treaty with Tokyo covers the Diaoyu Islands, part of China's sovereign territory.

Wu Shicun, president of the National Institute for the South China Sea, said US assurances to Japan and the Philippines were aimed at "conciliating" them and did not mean the US will rush to get involved in any military conflict with China.

"Obama's promises to allies are more symbolic rather than substantive," he said.

Shi Yinhong, director of the Center for American Studies at Renmin University of China in Beijing, told Reuters that the Obama administration probably felt its message of deterrence to China and reassurance to Japan and other allies was delivered successfully.

"But if we want to know if the trip seriously harmed US-China relations and damaged US strategic and economic interests, well, that is a difficult question to answer," Shi said.

Hong Kong-based Takungpao newspaper said in a commentary on Tuesday that the security situation in the region had worsened.

"Did Obama's Asia trip strike the right balance? No, quite the opposite," the paper said.

"The US has tried to consolidate alliances with countries such as Japan and the Philippines, and this has deepened Beijing's concerns. Those countries may now feel they have nothing to fear and they could feel emboldened and this complicates the situation."

Sun from Tsinghua said Obama failed to realize his Trans-Pacific Partnership goal and made little economic headway on the trip. The partnership encompasses 12 Pacific countries but remains deeply divisive among the public and politicians who fear that US goods will flood their markets.

Washington may feel frustrated, Sun said, pointing out that Obama's trip resulted in nothing tangible on the economic front.

This was in sharp contrast to Beijing's massive economic cooperation with Southeast Asian nations announced in recent years, he added.

Obama's talks with South Korean President Park Geun-hye also saw little in the way of tangible benefits, either economically or militarily, according to an editorial in South Korea's Chosun Ilbo newspaper which said "the US cannot exert leadership in Asia only with words".

## Vitalizing CICA

The Forth Summit of the Conference on Interaction and Confidence Building Measures in Asia (CICA) gathered in Shanghai on May 20 and 21, 2014 with China taking over the chair for the next years. The Summit was attended by leaders from about 40 countries across Eurasia and the Asia-Pacific Region, and representatives of about a dozen international and regional organizations. On its future tasks Jiemiao Yang, Chairman of the Shanghai Institutes for International Studies (SIIS) said on March 21:

“First of all, more countries will experience in-depth transition and reform both economically and politically. China will continue its course of reform and opening-up. Russia will strengthen its economic diversification. Some Central Asian countries will see greater changes in political and economic systems in the wake of U.S. withdrawal from Afghanistan and the inevitable political-economic changes. Besides, some Southeast Asian countries will confront with political changes through normal or abnormal processes, such as what Thailand and Myanmar are now undergoing. Moreover, West Asia and beyond will continue to go through the painful and perennial transitions with conflicts, confrontations and wars.

Second, Asia will achieve more progresses and face greater challenges at the same time. On the one hand, Asia as a whole will continue its economic growth and enhance its political weight. There will be a multi-echelon of emerging countries including China, Russia, India, South Korea, Indonesia, Kazakhstan and Turkey. The ASEAN and GCC will further enhance themselves and acquire more international recognition as well. On the other hand, Asia will face even greater security challenges, both traditional and non-traditional. The most immediate and biggest dangers are territorial disputed confrontations and international terrorism. Moreover, the regional order and system will be further affected by U.S. rebalancing strategy, Japanese turning right and extremist, and spill-over of turmoil in the Middle East.

Third, there will be more urgent calls for regional cooperation and integration. In Asia arms races, territorial and maritime disputes as well as military tensions are accelerating. The Asians also differ in the future direction of economic integration. Some countries want to maintain ASEAN's centrality and pursue Regional Economic Cooperation Partnership (RECP) whereas others are promoting U.S.-led Trans-Pacific Partnership (TPP). Sometimes RECP and TPP become a dividing rather than uniting factor in Asia-related economic cooperation. At the times of globalization, regionalism and information revolution, Asia needs to catch up with those regions that have more advanced levels of cooperation and integration. Therefore, it has become a historically imperative task for the CICA



to play a more proactive and bigger role in Asian cooperation and integration.”

It's always not easy to get such a big framework like CICA into action. But the fact in itself that China takes the lead shows Beijing's steadily growing ambition to actively fashion the Asian world.

## What would America fight for?

*The Economist* on May 3, 2014 gave its report on the U.S. role in geopolitics the headline “The decline of deterrence” and the even more telling subhead “America is no longer as alarming to its foes or reassuring to its friends”. In its first Leader the magazine stated: “A nagging doubt is eating away at the world order – and the superpower is largely ignoring it”, to continue in citing Obama answering a question about his country's “weakness” in Asia on April 28: “Why is it that everybody is so eager to use military force?” Obama, *The Economist's* Leader says, added “his administration was making steady, if unspectacular, progress. Directly and indirectly on our spot of unsolved area conflicts in the South East China Sea the magazine wrote:

- “When it came to formal pledges of reassurance, Mr Obama did not stint. In Tokyo he offered fresh guarantees that the defence treaty between Japan and America covers all Japanese-administered territory, including the Senkaku islands, which China also claims. While visiting some of the 28,000 American troops stationed in South Korea, he vowed that his government would not hesitate to use ‘military might to defend our allies’. In the Philippines Mr Obama signed a new, ten-year agreement to give American forces greater access to local bases.”
- The *Economist's* journalists noted too, that the U.S. President told an audience in Seoul: “Very rarely have I seen the exercise of military power providing a definitive answer.” And having been asked in the Philippines “whether his handling of the crisis from Ukraine to Syria might have emboldened America's enemies”, the magazine wrote on Obama's response: “Many of his hawkish critics, he said, were the same people who supported his ‘disastrous’ war in Iraq and who ‘haven't really learned the lesson of the last decade.’”
- “It seems far-fetched to think that America would go to war over the islands known to Japan as the Senkakus and to China as the Diaoyus. Nestling in the East China Sea between the two countries, they are tiny, barren and uninhabited save for hundreds of goats and the elusive ‘Senkaku mole’ (a critter, not a double agent). When America administered the islands from 1945-72, it used them for bombing practice.”
- For more than two years now China has been buzzing the islands by air and sea to challenge Japan's claim of control, and last November included them in an ‘Air Defence Identification Zone’. There is a real risk that an accidental clash

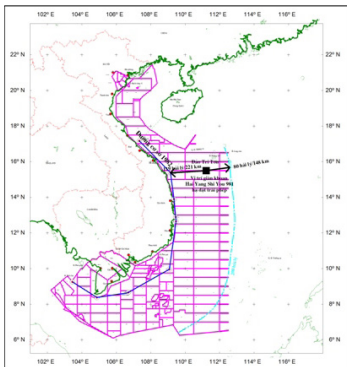
might escalate. So these desolate rocks may pose the most immediate test of Mr Obama's 'pivot' towards Asia. The South China Sea sets others. Five countries have claims that overlap with China's. The Philippines' dispute is the most active. In 1995 China evicted it from one reef, and two years ago from another. America takes no position on sovereignty, but backs Manila's efforts to contest Beijing's claims under international law."

What binds it all together we may find in this short passage of the British magazine's report: "In Asia, as elsewhere, America's allies are boosting their armed forces. Some suspect that America's security umbrella has holes in it. *Sotto voce*, a Japanese diplomat says Japan has never relied on it – though what he perhaps means is that it no longer does."

The Economist's writing on world order, America, Asia, and the East and South East China Sea is not only a snapshot taken in early May 2014 but quite representative for what we can observe to be a widely shared public image of the current international situation. The report concludes with this paragraph:

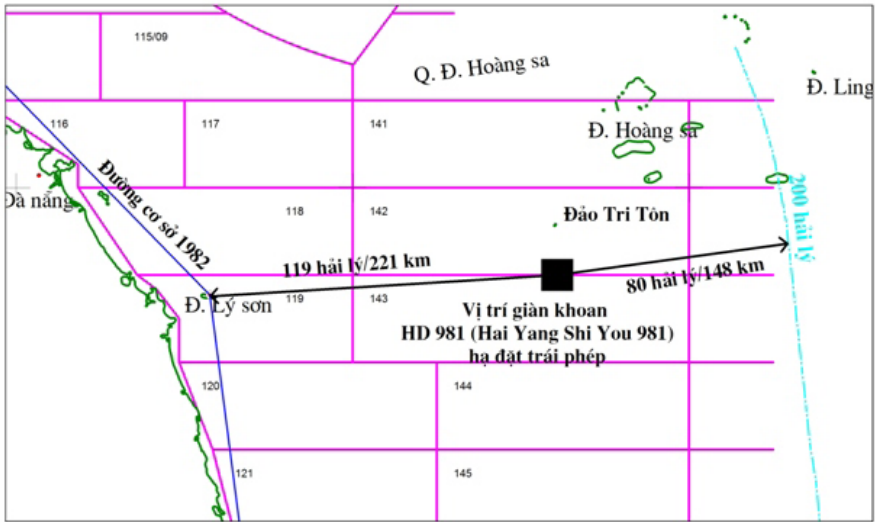
"Some will celebrate the decline of America's ability to deter. But wherever they live, they may find that whatever replaces the old order is much worse. American power is not half as scary as its absence would be."

Only two days after the above edition of The Economist was published the Hanoi office of *Associated Press* spread related news: "Vietnam protests Chinese oil rig in disputed sea". The China Maritime Safety Administration posted a navigational warning on its website advising that the China National Offshore Oil Corporation (CNOOC) would be drilling in its 981 rig in the South China Sea from May 4 to Aug. 15, close to the Parcel Islands. China's maritime administration added that ships entering a 3-mile (4.8-kilometers) radius around the area are prohibited.



Vietnam's foreign ministry said that area lay within Vietnam's exclusive economic zone and continental shelf as defined by the 1982 U.N. Convention on the Law of the Sea, declaring foreign activities in Vietnam's seas without Vietnam's permission as illegal. Chinese Foreign Ministry spokeswoman Hua Chunying said the drilling was taking place in Chinese waters.

Rig 981



Many analysts, AP says, believe China is embarking on a strategy of gradually pressing its claims in the water by seeing what it can get away with; believing that it's much smaller neighbors will be unable or unwilling to stop them. Vietnam has accused Chinese ships of cutting cables to its exploration vessels and harassing fishermen, as has the Philippines.

Chinese assertiveness puts Vietnam's authoritarian government in difficult position domestically because anger at China, an ideological ally, runs deep in the country. This is exploited by dissident movements, who accuse the government of being unwilling to speak out against Beijing. Tran Cong Truc, former head of a government committee overseeing the country's border issues, said the latest Chinese move was especially provocative: "This act by China is much more dangerous than previous actions such as cutting the exploration cable or fishing bans," he said.

Rocks, i.e. islands that cannot naturally support human lives, have only 500 meters of "territorial waters" is the legal basis of the "United Convention on the Law of the Sea (UNCLOS)". China's activity has no legal ground to stand on (literally) because even if China could legally claim the Paracels, it cannot claim areas more than 12 miles beyond the biggest island there. The area where China is putting down its "super oil rig" and forbidding all "foreign ships" to approach within 5 miles only have submerged rocks which are not entitled to any legal claim against boats passing through, no matter how close by.

But that's international law. China testing what it can do without real consequences is politics.

Here an article the day after:

South China Morning Post 南華早報

# CHINA

## Chinese media threatens Vietnam with a ‘lesson it deserves’ over oil rig row

China should give Vietnam a “lesson it deserves to get” if Hanoi ratchets up tension in the South China Sea, an aggressive editorial in state-run media said on Tuesday.

The editorial in the *Global Times* newspaper comes after Vietnam reacted furiously to a decision by Beijing to move a deep-water drilling rig into disputed waters for the first time.

Hanoi labelled the move “illegal” and demanded the rig withdraw from the area close to the Paracel islands, which are claimed by Vietnam but controlled by China, which calls them Xisha and took control of the whole group after a battle with the US-backed South Vietnamese regime in 1974, as US troops withdrew from Vietnam.

Beijing claims almost the whole of the South China Sea, which is believed could sit atop vast oil and gas deposits.

It frequently trades diplomatic barbs over oil exploration and fishing rights with its neighbors, including the Philippines and Vietnam.

“We believe Hanoi has no guts to attack China’s drilling platform directly,” said the *Global Times*, which has close links to the ruling Communist Party.

“If Vietnam takes further actions in Xisha, the level of China’s countermeasures must be elevated.

“China should evaluate whether Vietnam would stick its head out and become a more aggressive provocateur than the Philippines. If so, China should alter its Vietnam policy and give Hanoi a lesson it deserves to get.”

China and Vietnam fought a brief but bloody border war in 1979 which ended with Chinese forces withdrawing and both Hanoi and Beijing claiming victory.

The two countries also have a simmering territorial row over the Spratly Islands, another South China Sea chain of islets and reefs, where the Philippines, Taiwan, Brunei and Malaysia also have overlapping claims.

In a telephone call, US Secretary of State John Kerry told Chinese Foreign Minister Wang Yi that Washington had “strong concerns” over recent developments, BBC reported on May 14. The diplomatic ping pong continued with major Chinese papers citing the Chinese foreign ministry’s response that Kerry’s remarks are to likely “encourage provocations from some countries”, criticizing the Philippines and Vietnam for “making trouble”, and urging Washington “to respect China’s rise”.

Obama to rallying domestic support for the midterm elections, analyzed Yuan Peng, deputy president of the China Institute of Contemporary International Relations, Washington’s “tougher stance”; speculating that the White House may tweak its East Asia policy to court “its treaty allies and China” after the elections later this year. The same Chinese papers didn’t forget to report that Fang Fenghui, the chief of general staff of China’s People’s Liberation Army, began his four-day visit to the US, that he will meet his counterpart General Martin Dempsey and visit American warships. Finally former Chinese general Zhu Chenghu, now a professor at China’s National Defence University, told the media that the U.S. is “being open to China’s military” by allowing General Fang to tour its defence facilities. Signals over signals; the war on the Paracels and the other Islands in the East and South China Sea on different battlefields has just entered a new stage.

## **Some Figures on the South China Sea and Asia**

- 11 billion barrels of oil (of 1.47 trillion barrels worldwide)
- 190 trillion cubic feet of natural gas (of 6.7 quadrillion cubic feet worldwide)
- 90 % of Middle Eastern fossil exports are projected to go to Asia by 2035
- 5.3 trillion US Dollars in total trade passes through the South China Sea every year (23 percent of it is U.S. trade)

## **Return or Illusion of Geopolitics**

In 2005, Thomas L. Friedman published a book of much influence on how Americans think about the world affairs. In *The World Is Flat* Friedman praised the wonders of economic interdependence, of globalization, and made many believe with him that cooperation is replacing competition in international affairs with spontaneous peace and prosperity. His optimism characterized a broad spirit after the collapse of the Soviet Union and the easy American victory in the first Gulf war. Many agreed on globalization

as the most important characteristic of a new world: An autonomous and self-regulating economic cooperation would replace geopolitics. Critics now say these illusions about globalization should have faded away with the twin towers on September 11, 2001. For them the developments in the Greater Middle East and Eurasia, notably in Ukraine, confirm Friedman's and others' views of globalization to be naïve, and geopolitics to remain an important element of international relations and statecraft.

Robert Kaplan is the anti-Friedman. Kaplan's world is not flat, definitely not. "The South China Sea and the End of a Stable Pacific" is the subtitle of Robert D. Kaplan's new book "Asia's Cauldron", published 2014. In November 2013 the author presented his main thesis that we witness a watershed in global politics marked by distinct trends with profound implications for years to come. For Kaplan the sea lanes of the South China Sea, through which over half of the world's merchant tonnage and the bulk of East Asia's oil supplies pass, are becoming the primary line of conflict in the coming decades. His view is that strategic negotiation of claims in the South China Sea between China, its neighbors and the United States will shape the nature of geopolitics in a multipolar 21<sup>st</sup> century.

China's leadership only will be able to maintain internal stability and to avoid territorial fragmentation by securing access to energy supplies and commercial sea lanes, Kaplan argues. Therefore, he says, China in short time built up its modern navy and staked claims in the South China Sea, like the U.S. did in the Caribbean during the late 19<sup>th</sup> and early 20<sup>th</sup> century. In response the other nine countries of the South China Sea would expand their military capacities and strive for American support. These countries are not afraid of Chinese military aggression, Kaplan analyses, but of losing autonomy in a process similar to that of "Finlandization" like Finland in its relations to the Soviet Union during the Cold War. When Kaplan was presenting his view he could not know that after the Ukraine crisis in spring 2014 quite many countries of the former Soviet Bloc in central, eastern and south eastern Europe would be afraid of the same.

Tyler Cowen pointed at Robert D. Kaplan's book on March 26 at [marginalrevolution.com](http://marginalrevolution.com):

According to Yale professor of management and political science Paul Bracken, China isn't so much building a conventional navy as an "anti-navy" navy, designed to push U.S. sea and air forces away from the East Asian coastline. Chinese drones putting lasers on U.S. warships, sonar pings from Chinese submarines, the noisy activation of Chinese smart mines, and so on are all designed to signal to American warships that Beijing knows about their movements and the United States risks a crisis if such warships get closer to Chinese waters. Because "relations with China are too important to jeopardize with a military confrontation," this anti-access strategy has a significant political effect on Washington. "The

strategic impact of China's agility is not so much to tilt the military balance in its direction and away from the United States. Rather," bracken goes on, "it introduces new risks into the American decision-making calculus."

While Cowen points to this weak element in America's policy Kaplan himself argues that any conflict in the South China Sea would reflect a "humanist dilemma," lacking the moral element characterizing the conflicts of the 20<sup>th</sup> and early 21<sup>st</sup> centuries: the moral struggle against fascism in World War II; against communism during the Cold War; against genocide in the Balkans, Africa, and the Levant; and against terrorism and in support of democracy after 9/11. The South China Sea would show us a "world void of moral struggles, with all their attendant fascination for humanists and intellectuals." Conflict in the South China Sea would be about power, trade, and business.

"So far, the year 2014 has been a tumultuous one, as geopolitical rivalries have stormed back to center stage. Whether it is Russian forces seizing Crimea, China making aggressive claims in its coastal waters, Japan responding with an increasingly assertive strategy of its own ...", Walter Mead<sup>1</sup>wrote in the May/June 2014 edition of *Foreign Affairs*. "The United States and the EU, at least, find such trends disturbing", he continued, "Both would rather move past geopolitical questions of territory and military power and focus instead on ones of world order and global governance: trade liberalization, nuclear nonproliferation, human rights, the rule of law, climate change, and so on." The West, Mead argues, has misread the meaning of the collapse of the Soviet Union. He is convinced: "China, Iran, and Russia never bought into the geopolitical settlement that followed the Cold War, and they are making increasingly forceful attempts to overturn it."

Francis Fukuyama, Mead reminds us, was not the first to see "the end of history". It was the German philosopher Georg Wilhelm Friedrich Hegel to express it after the Battle of Jena, in 1806. In Hegel's eyes, Napoleon Bonaparte's utter destruction of the Prussian army not only was the triumph over the best army in prerevolutionary Europe but that of the French Revolution. Hegel was sure in the future only states that adopted the principles of revolutionary France would be able to compete and survive.

In the post–Cold War world, Mead argues, Hegel's view returned in Fukuyama's that states would have to act according to the principles of liberal capitalism. Communist societies had proved themselves unable to compete with liberal states, and only liberal democracy would deliver the freedom and dignity necessary for modern societies. Mead maliciously: "To fight the West successfully, you would have to become like the West, and if that happened, you would become the kind of wishy-washy, pacifistic milquetoast society that didn't want to fight about anything at all." Looking at Ukraine in May 2014 we may be all too willing to agree with Mead when he states: "And thus former communist

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<sup>1</sup> WALTER RUSSELL MEAD is James Clarke Chace Professor of Foreign Affairs and Humanities at Bard College and Editor-at-Large of *The American Interest*.

states, such as Russia, faced a choice. They could jump on the modernization bandwagon and become liberal, open, and pacifistic, or they could cling bitterly to their guns and their culture as the world passed them by.”

For quite a time the focus shifted from geopolitics to economics and nonproliferation, and questions such as climate change and trade. In Mead’s eyes “President Obama built his foreign policy on the conviction that the ‘war on terror’ was overblown, that history really was over, and that, as in the Clinton years, the United States’ most important priorities involved promoting the liberal world order, not playing classical geopolitics.” Setting on the U.S. administration’s agenda: “blocking Iran’s drive for nuclear weapons, solving the Israeli-Palestinian conflict, negotiating a global climate change treaty, striking Pacific and Atlantic trade deals, signing arms control treaties with Russia, repairing U.S. relations with the Muslim world, promoting gay rights, restoring trust with European allies, and ending the war in Afghanistan.”

And now, Mead concludes: “Twenty-five years after the fall of the Berlin Wall, whether one focuses on the rivalry between the EU and Russia over Ukraine, which led Moscow to seize Crimea; the intensifying competition between China and Japan in East Asia; or the subsuming of sectarian conflict into international rivalries and civil wars in the Middle East, the world is looking less post-historical by the day. In very different ways, with very different objectives, China, Iran, and Russia are all pushing back against the political settlement of the Cold War.”

The interests of “those three revisionist powers” would be complex, Mead analyses. Russia would fear China’s rise, Iran play a game of its own, instability in the Middle East work for Iran and Russia but pose large risks for China. “What binds these powers together,” Mead says, “is their agreement that the status quo must be revised.” Russia would want to get back as much as possible. China would turn against the degree of the U.S. influence in Asia and its territorial status quo. Iran would aim to replace Saudi Arabia as dominating power in the Middle East. Mead defines the three countries hostility toward Washington and its order “both offensive and defensive” avoiding direct confrontations except the odds are strongly in their favor “as in Russia’s 2008 invasion of Georgia and its occupation and annexation of Crimea this year”.

For Mead China the most capable among the three paradoxically was the least successful: “Its efforts to assert itself in its region have only tightened the links between the United States and its Asian allies and intensified nationalism in Japan. As Beijing’s capabilities grow, so will its sense of frustration. China’s surge in power will be matched by a surge in Japan’s resolve, and tensions in Asia will be more likely to spill over into global economics and politics.” At the same time Mead sees Asian politics today in national rivalries, and conflicting territorial claims, and other historical issues: “The



nationalist revival in Japan, a direct response to China's agenda, has set up a process in which rising nationalism in one country feeds off the same in the other. China and Japan are escalating their rhetoric, increasing their military budgets, starting bilateral crises with greater frequency, and fixating more and more on zero-sum competition."

22 years after Fukuyama's book "The End of History and the Last Man" Mead qualifies the reality in these words: "Chinese, Iranian, and Russian revanchism haven't overturned the post-Cold War settlement in Eurasia yet, and may never do so, but they have converted an uncontested status quo into a contested one." Mead sees us in the twilight of history:

"It was 22 years ago that Fukuyama published *The End of History and the Last Man*, and it is tempting to see the return of geopolitics as a definitive refutation of his thesis. The reality is more complicated. The end of history, as Fukuyama reminded readers, was Hegel's idea, and even though the revolutionary state had triumphed over the old type of regimes for good, Hegel argued, competition and conflict would continue. He predicted that there would be disturbances in the provinces, even as the heartlands of European civilization moved into a post-historical time. Given that Hegel's provinces included China, India, Japan, and Russia, it should hardly be surprising that more than two centuries later, the disturbances haven't ceased. We are living in the twilight of history rather than at its actual end.

A Hegelian view of the historical process today would hold that substantively little has changed since the beginning of the nineteenth century. To be powerful, states must develop the ideas and institutions that allow them to harness the titanic forces of industrial and informational capitalism. There is no alternative; societies unable or unwilling to embrace this route will end up the subjects of history rather than the makers of it.

But the road to postmodernity remains rocky. In order to increase its power, China, for example, will clearly have to go through a process of economic and political development that will require the country to master the problems that modern Western societies have confronted. There is no assurance, however, that China's path to stable liberal modernity will be any less tumultuous than, say, the one that Germany trod. The twilight of history is not a quiet time."

In the very same Foreign Affairs edition of May/June 2014 G. John Ikenberry<sup>2</sup> sees Mead's alarmism "based on a colossal misreading of modern power realities ... a misreading of the logic and character of the existing world order ... and a misreading of China and Russia, which are not full-scale revisionist powers but part-time spoilers at best, as suspicious of each other as they are of the outside world."

2 G. JOHN IKENBERRY is Albert G. Milbank Professor of Politics and International Affairs at Princeton University and George Eastman Visiting Professor at Balliol College, University of Oxford.

Yes, says Ikenberry, China and Russia try to resist the United States' global leadership, and to push back against it, especially in their own neighborhoods: "But even these conflicts are fueled more by weakness -- their leaders' and regimes' -- than by strength". Ikenberry is convinced: "And when it comes to their overriding interests, Russia and, especially, China are deeply integrated into the world economy and its governing institutions." Mead mischaracterizes U.S. foreign policy, Ikenberry argues, in criticizing Washington ignoring geopolitics and instead "adopting a Pollyannaish emphasis on building the global order". Ikenberry calls this a false dichotomy: "Order building is not premised on the end of geopolitics; it is about how to answer the big questions of geopolitics." Here is his view:

"Indeed, the construction of a U.S.-led global order did not begin with the end of the Cold War; it won the Cold War. In the nearly 70 years since World War II, Washington has undertaken sustained efforts to build a far-flung system of multilateral institutions, alliances, trade agreements, and political partnerships. This project has helped draw countries into the United States' orbit. It has helped strengthen global norms and rules that undercut the legitimacy of nineteenth-century-style spheres of influence, bids for regional domination, and territorial grabs. And it has given the United States the capacities, partnerships, and principles to confront today's great-power spoilers and revisionists, such as they are. Alliances, partnerships, multilateralism, democracy -- these are the tools of U.S. leadership, and they are winning, not losing, the twenty-first-century struggles over geopolitics and the world order."

For Ikenberry Mead's picture of China, Iran, and Russia miss doesn't ground deep enough. In geopolitics, demographics, politics, and ideas Ikenberry attributes the U.S. a decisive advantage: "Its wealth and technological advantages remain far out of the reach of China and Russia, to say nothing of Iran. Its recovering economy, now bolstered by massive new natural gas resources, allows it to maintain a global military presence and credible security commitments." Ikenberry believes in Washington's alliances policy with more than 60 military partnerships versus eight Russian allies and China's only ally North Korea. Nuclear weapons help the United States in two ways, Ikenberry says; radically reducing the likelihood of great-power war, giving China and Russia the assurance that the U.S. will not invade. Geography to Ikenberry is one more advantage because the U.S. is the only among the great powers not surrounded by others. Ikenberry describes this geographic advantage to be on full display in Asia:

"Most countries there see China as a greater potential danger -- due to its proximity, if nothing else -- than the United States. Except for the United States, every major power in the world lives in a crowded geopolitical neighborhood where shifts in power routinely provoke counterbalancing -- including by one

another. China is discovering this dynamic today as surrounding states react to its rise by modernizing their militaries and reinforcing their alliances. Russia has known it for decades, and has faced it most recently in Ukraine, which in recent years has increased its military spending and sought closer ties to the EU.

Geographic isolation has also given the United States reason to champion universal principles that allow it to access various regions of the world. The country has long promoted the open-door policy and the principle of self-determination and opposed colonialism -- less out of a sense of idealism than due to the practical realities of keeping Europe, Asia, and the Middle East open for trade and diplomacy. In the late 1930s, the main question facing the United States was how large a geopolitical space, or 'grand area,' it would need to exist as a great power in a world of empires, regional blocs, and spheres of influence. World War II made the answer clear: the country's prosperity and security depended on access to every region. And in the ensuing decades, with some important and damaging exceptions, such as Vietnam, the United States has embraced postimperial principles.

It was during these postwar years that geopolitics and order building converged. A liberal international framework was the answer ... to the challenge of Soviet expansionism. The system they built strengthened and enriched the United States and its allies, to the detriment of its illiberal opponents. It also stabilized the world economy and established mechanisms for tackling global problems. The end of the Cold War has not changed the logic behind this project."

Ikenberry "misses the more profound power transition under way" in Mead's view of a contest over Eurasia: "the increasing ascendancy of liberal capitalist democracy." Despite many democracies presently facing little economic growth, social inequality and instability liberal democracy, Ikenberry says, spread out in the world especially after the Cold War: 60 percent of all countries have become democracies. "The rise of a global middle class of democratic states", Ikenberry continues, „has turned China and Russia into outliers -- not, as Mead fears, legitimate contestants for global leadership." Putin's moves reflect Russia's geopolitical vulnerability, not its strength, Ikenberry underlines:

"Over the last two decades, the West has crept closer to Russia's borders. In 1999, the Czech Republic, Hungary, and Poland entered NATO. They were joined in 2004 by seven more former members of the Soviet bloc, and in 2009, by Albania and Croatia. In the meantime, six former Soviet republics have headed down the path to membership by joining NATO's Partnership for Peace program. Mead makes much of Putin's achievements in Georgia, Armenia, and Crimea. Yet even though Putin is winning some small battles, he is losing the war. Russia is

not on the rise; to the contrary, it is experiencing one of the greatest geopolitical contractions of any major power in the modern era.

Democracy is encircling China, too. In the mid-1980s, India and Japan were the only Asian democracies, but since then, Indonesia, Mongolia, the Philippines, South Korea, Taiwan, and Thailand have joined the club. Myanmar (also called Burma) has made cautious steps toward multiparty rule -- steps that have come, as China has not failed to notice, in conjunction with warming relations with the United States. China now lives in a decidedly democratic neighborhood.”

Ikenberry agrees with the British diplomat Robert Cooper, Putin may be able to delay the move of Ukraine toward the EU, but not to stop it. Ikenberry’s envisages a similar scenario in China’s neighborhood, “the spread of democracy to all corners of Asia has made old-fashioned domination the only way to achieve that, and that option is costly and self-defeating.” In Ikenberry’s judgment Mead not only underestimated U.S. strength and the built order, but also overstates the degree of resist by China and Russia:

“But China and Russia are not true revisionists. As former Israeli Foreign Minister Shlomo Ben-Ami has said, Putin’s foreign policy is ‘more a reflection of his resentment of Russia’s geopolitical marginalization than a battle cry from a rising empire.’ China, of course, is an actual rising power, and this does invite dangerous competition with U.S. allies in Asia. But China is not currently trying to break those alliances or overthrow the wider system of regional security governance embodied in the Association of Southeast Asian Nations and the East Asia Summit. And even if China harbors ambitions of eventually doing so, U.S. security partnerships in the region are, if anything, getting stronger, not weaker. At most, China and Russia are spoilers. They do not have the interests -- let alone the ideas, capacities, or allies -- to lead them to upend existing global rules and institutions.

In fact, although they resent that the United States stands at the top of the current geopolitical system, they embrace the underlying logic of that framework, and with good reason. Openness gives them access to trade, investment, and technology from other societies. Rules give them tools to protect their sovereignty and interests. Despite controversies over the new idea of ‘the responsibility to protect’ (which has been applied only selectively), the current world order enshrines the age-old norms of state sovereignty and nonintervention. Those Westphalian principles remain the bedrock of world politics -- and China and Russia have tied their national interests to them (despite Putin’s disturbing irredentism).”

In most issues China and Russia regularly act like established great powers, not revisionist ones, both use global rules and institutions for their own interests, both work

to improve their positions within the system, not to replace it, Ikenberry is resuming. His conclusion reads:

“Ultimately, even if China and Russia do attempt to contest the basic terms of the current global order, the adventure will be daunting and self-defeating. These powers aren’t just up against the United States; they would also have to contend with the most globally organized and deeply entrenched order the world has ever seen, one that is dominated by states that are liberal, capitalist, and democratic. This order is backed by a U.S.-led network of alliances, institutions, geopolitical bargains, client states, and democratic partnerships. It has proved dynamic and expansive, easily integrating rising states, beginning with Japan and Germany after World War II. It has shown a capacity for shared leadership, as exemplified by such forums as the G-8 and the G-20. It has allowed rising non-Western countries to trade and grow, sharing the dividends of modernization. It has accommodated a surprisingly wide variety of political and economic models -- social democratic (Western Europe), neoliberal (the United Kingdom and the United States), and state capitalist (East Asia). The prosperity of nearly every country -- and the stability of its government -- fundamentally depends on this order.

In the age of liberal order, revisionist struggles are a fool’s errand. Indeed, China and Russia know this. They do not have grand visions of an alternative order. For them, international relations are mainly about the search for commerce and resources, the protection of their sovereignty, and, where possible, regional domination. They have shown no interest in building their own orders or even taking full responsibility for the current one and have offered no alternative visions of global economic or political progress. That’s a critical shortcoming, since international orders rise and fall not simply with the power of the leading state; their success also hinges on whether they are seen as legitimate and whether their actual operation solves problems that both weak and powerful states care about. In the struggle for world order, China and Russia (and certainly Iran) are simply not in the game.”

Pro and con, Ikenberry and Mead may represent the U.S. spectrum of analysts’ views of the lasting question which scenario will more or less outline the time to come. That China is “simply not in the game” certainly can and will be questioned by many experts in East and West. For quite a number of them China is already in the game today, and most will agree on China challenging the U.S. as world power one tomorrow.

In his final part of the much cited essay of Walter Russell Mead he stresses the second part of Fukuyama’s book that “received less attention, perhaps because it is less flattering

to the West". Investigating how a post-historical society might look like led Fukuyama to the disturbing discovery; in Mead's words: "In a world where the great questions have been solved and geopolitics has been subordinated to economics, humanity will look a lot like the nihilistic "last man" described by the philosopher Friedrich Nietzsche: a narcissistic consumer with no greater aspirations beyond the next trip to the mall." Such a scenario has everything the image of Nietzsche asks for; and indicates there will be enough to do for us and the generations to follow:

"In other words, these people would closely resemble today's European bureaucrats and Washington lobbyists. They are competent enough at managing their affairs among post-historical people, but understanding the motives and countering the strategies of old-fashioned power politicians is hard for them. Unlike their less productive and less stable rivals, post-historical people are unwilling to make sacrifices, focused on the short term, easily distracted, and lacking in courage.

The realities of personal and political life in post-historical societies are very different from those in such countries as China, Iran, and Russia, where the sun of history still shines. It is not just that those different societies bring different personalities and values to the fore; it is also that their institutions work differently and their publics are shaped by different ideas.

Societies filled with Nietzsche's last men (and women) characteristically misunderstand and underestimate their supposedly primitive opponents in supposedly backward societies -- a blind spot that could, at least temporarily, offset their countries' other advantages. The tide of history may be flowing inexorably in the direction of liberal capitalist democracy, and the sun of history may indeed be sinking behind the hills. But even as the shadows lengthen and the first of the stars appears, such figures as Putin still stride the world stage. They will not go gently into that good night, and they will rage, rage against the dying of the light."

## Contributors

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## Editor

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# PARACEL ISLANDS

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The South China Sea connects the western Pacific with the Indian Ocean and hence with the rest of the world. Historically its sea-lanes have perhaps been most vital to global sea-borne commercial activities. And partly because of its position most of Southeast Asia was embroiled in the commercial streams that swept through the region during the first period of globalization that precipitated the colonization of most of the area.

- Ngo Vinh Long

The U.S. stumbled into the Vietnam War even before it was a major war. Vietnam is one of these issues in U.S. history that people are going to study for decades and probably for hundreds of years from now to. Because it's a classic example how a great power gets itself involved in a faraway war that does not impinge on its national interests.

- Marvin Kalb

Japan, China, and others (Vietnam, Philippines) should set aside the unresolved issues and turn to joint management of national interests in fishing, energy and resource development. Codes of conduct in the East and South China Sea are necessary to manage maritime operations. Joint maritime policing, adherence to the Law of the Sea and maintenance of the freedom of the seas for shipping, could also help to avoid political miscalculation and military confrontation.

- J. D. Bindenagel