



CARNEGIE
ENDOWMENT FOR
INTERNATIONAL PEACE

Managing the East China Sea and South China Sea Disputes

Interim stabilization via Clarity, CBM & CMMs

**Long-term Creation of a U.S./Japan – China
Balance of Power**

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WHY MARITIME DISPUTES ARE DANGEROUS

- Sovereignty issues are zero-sum, tied to nationalist sentiments, and widely publicized, thus raising tensions
- China is increasing its ability and willingness to react strongly to perceived challenges, thus altering the status quo
- Yet China is not clarifying the nature of its claims and the limits of its assertiveness
 - This raises questions regarding international law and use of force
- The United States sees itself as having a unique and essential security role to play in preventing aggression and violations of international law
 - Yet Beijing rejects such U.S. “interference”
- Many U.S. officials view Chinese actions as an attempt to push the U.S. out of Asia and a test of American strength and credibility



WHY MARITIME DISPUTES ARE DANGEROUS (CONT'D)

- Such dynamics increase the potential for more intense crises as U.S. and Chinese forces come into closer proximity to one another
- Beijing could act excessively to deter and counter perceived provocations by other claimants and the U.S.
- Washington could overreact to perceived Chinese “challenges”



AN ASIA-PACIFIC BALANCE OF POWER

- A stable overall U.S./Japan – China balance of power in the Western Pacific should form the basis for the long-term handling of the ECS and SCS disputes
- Such a balance of power should include six elements:
 - A mutual denial military balance with CMMs/CBMs
 - A unified, largely neutral Korean Peninsula
 - Demilitarization of the Taiwan Strait
 - Stabilization of SCS/ECS maritime disputes
 - Restraint and communication on ISR activities and military exercises
 - Deeper regional economic integration/cooperation
- However, creating a balance will take many years
 - In the meantime, stabilization of the maritime disputes is necessary



FIVE ELEMENTS OF AN INTERIM STABILIZATION

- Establish more extensive Confidence Building Mechanisms (CBMs) and Crisis Management Mechanisms (CMMs)
- Clarify limits on levels of militarization
- Clarify the precise content and legal or other rationale of all claims
- Reach an agreement on the areas subject to joint resource development
- Negotiate a binding code of conduct for handling incidents, using whatever means (bilateral, multilateral) feasible



OBSTACLES

- Distrust
- Nationalist domestic pressures
- Suspicions of Chinese motives
- Complexity of the claims
- Large number of claimants



SHORT- AND MEDIUM-TERM CMMs AND CBMs (I)

Official Crisis Risk Reduction Centers in Washington, Tokyo, and Beijing

- Receive, transmit, coordinate, and disseminate all incoming and outgoing messages
- Aims to strengthen the technical habit of cooperation between the two sides and encourage trust



SHORT- AND MEDIUM-TERM CMMs AND CBMs (II)

Mechanisms for Crisis Forecasting/Prediction and Prevention

- Jointly managed by U.S., China
- Utilize newly developed online analytical tools that estimate the probabilities of events
- Involves a group of crisis prediction experts (50 to 100 scholars, analysts, retired officials, etc.)
- Aims to enhance mutual understanding



SHORT- AND MEDIUM-TERM CMMs AND CBMs (III)

Additional crisis communication channels

- This includes networks linking:
 - PACOM and PLA General Staff Department's Operations Department
 - PACOM and Southern and Eastern Military Theaters
 - The PLA and U.S. Navy Headquarters
- Aims to increase the clarity of signals, reduce uncertainties, and minimize misperceptions



SHORT- AND MEDIUM-TERM CMMs AND CBMs (IV)

A U.S.-China “non-conversation” norm

- Key officials at various levels on both sides are allowed to unofficially contact each other outside of formal channels
- Aims to allow decision-makers and official analysts to clarify each side’s intentions and reduce misperceptions



SHORT- AND MEDIUM-TERM CMMs AND CBMs (V)

A direct channel between a pre-determined representative of each side's top leaders

- These leaders serve as intermediaries who are trusted and respected by both sides
- For example, between the U.S. National Security Advisor and the PRC State Councilor
- Aims to preserve communication between the two leaders even in difficult political conditions



SHORT- AND MEDIUM-TERM CMMs AND CBMs (VI)

A group of professional “crisis managers” inside key decision-making bodies

- Such bodies might include the State Department Policy Planning Office or China’s Central Foreign Affairs Office
- These crisis managers advice top leaders on minimizing problems created by time pressure and lack of understanding
- Aims to pool specialized knowledge together and allow leaders to utilize such knowledge



SHORT- AND MEDIUM-TERM CMMs AND CBMs (VII)

Crisis exercises to increase the ability of decision-makers to see a crisis from the other side's perspective

- These exercises could be organized by the aforementioned crisis managers
- They should focus on reminding decision-makers of the need to respect and understand the other side's sensitivity to face and image
- Aims to explain the other side's assumptions, perceptions, and biases, thereby reducing misunderstanding



SHORT- AND MEDIUM-TERM CMMs AND CBMs (VIII)

Briefings of top level civilian decision-makers in the Rules of Engagement and Standard Operating Procedures of the professional militaries

- These briefings aim to enhance senior leaders' understanding of the realistic effects of their crisis management decisions
- Coordination of political and military signals are thus improved

