Rethinking Chinese Territorial Disputes: How the Value of Contested Land Shapes Territorial Policies

Ke Wang

University of Pennsylvania, ke.jade@gmail.com

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Rethinking Chinese Territorial Disputes: How the Value of Contested Land Shapes Territorial Policies

Abstract
What explains the timing of when states abandon a delaying strategy to change the status quo of one territorial dispute? And when this does happen, why do states ultimately use military force rather than concessions, or vice versa? This dissertation answers these questions by examining four major Chinese territorial disputes - Chinese-Russian and Chinese-Indian frontier disputes and Chinese-Vietnamese and Chinese-Japanese offshore island disputes. I propose a new theory which focuses on the changeability of territorial values and its effects on territorial policies. I argue that territories have particular meaning and value for particular state in particular historical and international settings. The value of a territory may look very different to different state actors at one point in time, or to the same state actor at different points in time. This difference in perspectives may largely help explain not only why, but when state actors choose to suddenly abandon the status quo. Particularly, I hypothesize that a cooperative territorial policy is more likely when the economic value of the territory increases (contingent on low symbolic and military value), while an escalation policy is more likely when the symbolic or military value increases, independent of economic factors. As a result, disputes over territories with high economic salience are, all else equal, more likely to be resolved peacefully, while disputes over territories with high symbolic or military salience are more likely to either fester for long periods of time or escalate into armed conflict. Through historical process tracing and across-case comparison, this study found that (a) Chinese policies toward the frontier disputes conform well to large parts of my original hypothesis, which explains territorial policies in terms of changing territorial values; but that (b) Chinese policies towards offshore island disputes conform more clearly to state-centered theories based on opportunism, realpolitik, and changes in relative power. I suggest that as China’s naval power becomes stronger, and it feels less vulnerable in the region, China will be less likely to escalate and more likely to cooperate over the disputed islands, particularly if such cooperation can draw allies closer to China rather than the United States.

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RETHINKING CHINESE TERRITORIAL DISPUTES: HOW THE VALUE OF CONTESTED LAND SHAPES TERRITORIAL POLICIES

Ke Wang

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Supervisor of Dissertation

Avery Goldstein, Professor of Political Science

Graduate Group Chairperson

Matthew Levendusky, Associate Professor of Political Science

Dissertation Committee
Avery Goldstein, Professor of Political Science
Ian Lustick, Professor of Political Science
Edward Mansfield, Professor of Political Science
Alex Weisiger, Assistant Professor of Political Science
RETHINKING CHINESE TERRITORIAL DISPUTES: HOW THE VALUE OF CONTESTED LANDS SHAPES TERRITORIAL POLITICS

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For my family
ACKNOWLEDGMENT

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ABSTRACT

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Ke Wang
Avery Goldstein

What explains the timing of when states abandon a delaying strategy to change the status quo of one territorial dispute? And when this does happen, why do states ultimately use military force rather than concessions, or vice versa? This dissertation answers these questions by examining four major Chinese territorial disputes – Chinese-Russian and Chinese-Indian frontier disputes and Chinese-Vietnamese and Chinese-Japanese offshore island disputes. I propose a new theory which focuses on the changeability of territorial values and its effects on territorial policies. I argue that territories have particular meaning and value for particular state in particular historical and international settings. The value of a territory may look very different to different state actors at one point in time, or to the same state actor at different points in time. This difference in perspectives may largely help explain not only why, but when state actors choose to suddenly abandon the status quo. Particularly, I hypothesize that a cooperative territorial policy is more likely when the economic value of the territory increases (contingent on low symbolic and military value), while an escalation policy is more likely when the symbolic or military value increases, independent of economic factors. As a result, disputes over territories with high economic salience are, all else equal, more likely to be resolved peacefully, while disputes over territories with high symbolic or military salience are more likely to either fester for long periods of time or escalate into armed conflict.

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PART I: PROBLEM AND THEORY
CHAPTER 1: INTRODUCTION

“…the dispute over Badme produced nearly 200,000 casualties between 1998 and 2004, and there is no peaceful resolution in sight. ‘That area, I think, is desert,’ commented one Ethiopian, but hastened to add: ‘It’s territory, you know…we’ll die for our country.’”

“Since 1949, China has participated in twenty-three unique territorial disputes with its neighbors on land and at sea. Yet it has pursued compromise and offered concessions in seventeen of these conflicts. China’s compromises have often been substantial, as it has usually offered to accept less than half of the contested territory in any final settlement.”

1.1 Research Question

Territorial disputes can be puzzling. Sometimes people will fight to the death for a piece of land that is literally just desert or a rock in the ocean. Badme is a small town located on the western section of the border between Eritrea and Ethiopia. It is of no strategic importance and has no significant natural resource—“[it] has little more than an elementary school, a clinic, a few bars and a couple of very modest hotels,” and “its population resides in a few hundred huts near a dirt track, growing sorghum and raising goats.” However, millions of Eritreans and Ethiopians died and billions of dollars were spent for the fight over this tiny barren land during the two-and-a-half-year border war

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between 1998 and 2000.\(^5\) In Eritrea the towns and villages were “empty of men” due to conscription and in Ethiopia $1 million was spent per day on the war, even though Ethiopia’s GDP in 2000 was only $8.1 billion.\(^6\) Accordingly, many have called the fight between Eritrea and Ethiopia over Badme “the world’s most senseless war.”\(^7\)

On the other hand, sometimes countries will compromise over territory that is far more valuable in terms of natural resources. Saudi Arabia’s disputes over oil-rich territories in the Middle East with most of its neighbors (Iran, Iraq, Qatar, Kuwait, and United Arab Emirates) have usually been resolved peacefully, even when such compromises (as with Iraq or Iran) would hardly be expected given a history of religious and political clashes between these states. Similarly, Argentina made significant compromises in its disputes with Chile, a traditional regional competitor, over the strategically and economically valued islands in the Beagle Channel, and with Uruguay over the oil-rich frontier. And China, while contentiously engaging India for Aksai Chin, an uninhabited desert area on the western border, as well as the Soviet Union for barren

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lands in the country’s northwest, has also offered these same countries substantial concessions regarding other territories with significant natural and economic resources.

If these examples of cooperation and escalation of territorial disputes can seem ironic, as resolutions of any kind they are extraordinary. Absent the immediate resolution of territorial conflicts, intrastate conflicts settle into an equilibrium of irresolution in which states neither coordinate on the substantive compromises necessary to prompt a political resolution, nor use force to seize the contested land. Disputant states, whether they are happy with it or not, appear to coordinate on the state quo; and as a result an unresolved status quo around disputed territory can be maintained for years or even decades without conflict, but also without a concrete political resolution. A few examples illustrate the point: Japan has contested South Korea’s ownership of the Dokdo/Takeshima Islands and Russia’s control over the South Kuril Islands/North Territories for more than six decades, but has accepted a losing status quo even while publically affirming its claim to the territories. Similarly, for decades Suriname has claimed a triangular area of land (approx. 3,000 square miles, rich in oil and gas) near the Maroni river along the southern border of French Guiana, and another triangular area of land (approx. 6,000 square miles, with little economic value) near the New River along the southern border of Guyana, but has not actively pursued these disputes since the 1980s.

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8 After more than 40 years of contestation over their common borders, Russia and China signed border agreement in July 2008 to end this long-running territorial dispute, with Russia making most of the concessions.

9 The Dokdo/Takeshima Islands have been administered by South Korea and claimed by Japan; the South Kuril Islands/North Territories have been controlled by Russia and claimed by Japan.
But states whatever their starting position will not always continue a delaying strategy, and may suddenly abandon delaying tactics to pursue the immediate gains of negotiation or escalation. In the former case, concessions are offered as “win-win” solutions to the dispute in lieu continued stasis; in the latter, the struggle for territory assumes a “winner-take-all” character justifying violence. What, then, explains the timing of when states abandon a delaying strategy to change the status quo? And when this does happen, why do states ultimately use military force rather than concessions, or vice versa? From a state actor’s perspective, what factors transform a territorial conflict from an acceptable condition of political ambiguity to either a “win-win” situation or “winner-take-all” conflict?

Existing scholarship offers a limited body of work that tackles these questions directly, and with mostly tentative answers. And where large scale studies do exist on the resolution of territorial disputes, confusion follows from contradictory statistical findings.  

In the past two decades several research programs have deepened our general knowledge about territorial disputes primarily through quantitative analysis. But importantly, these studies typically focus on explaining the outcomes of territorial disputes in terms of certain static and a-historical characteristics—in other words, they

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10 The ‘Literature Review’ section below details these studies.

“illuminate mostly cross-sectional variation in the outcome of disputes, identifying those conflicts that are more likely to be settled or experience the use of force.”\textsuperscript{12} But such positive analysis of the situation, which takes certain structural or descriptive characteristics of disputed territory as static, suffers from a lack of clear theoretical grounding, no peering into the black box to explain the strategic logic driving political actors themselves and their decision-making, in part because it is ahistorical. Territories have particular meaning and value for particular state actors (who themselves may change in important ways\textsuperscript{13}) in particular historical and international settings. The value, meaning, or interest of a territory may look very different to different state actors at one point in time, or to the same state actor at different points in time. And this difference in perspectives may largely help explain not only \textit{why}, but \textit{when} state actors choose to suddenly abandon the status quo. A quantitative study might be able to code the economic/strategic/symbolic value of territory in the aggregate, it will have much more difficulty tracking how that value changes over time, and those changes are extremely important. What generalizable theoretical approach, then, allows us to better understand how particular state actors respond to territorial disputes in a world of fluid domestic and international political conditions, and in which the meaning and value of territories change.

\textsuperscript{12} Fravel, \textit{Strong Borders, Secure Nation}, 11.

\textsuperscript{13} The most obvious change of this kind is one of regime time. For example, Argentina over the period discussed has gone through political transitions from democracy to military dictatorship to presidential democracy, while China from highly-centralized charismatic authoritarianism with an overall stagnant economy, to a de-centralized and institutionalized authoritarianism in a period of robust economic growth.
This dissertation offers such a theoretical approach while also examining four important cases in which China has been a claimant to disputed territory and pursued different strategies to resolve (or at other times leave alone) the dispute. And in what follows my methodological approach to understanding these cases applies three sequential steps: (a) preliminary theory construction; (b) historical process-tracing in four Chinese cases to test and refine the theory; and (c) comparison across cases to draw more generalizable conclusions. First, however, I explain the choice of China.

China is both an important case and a scientifically useful case for several reasons. First, over the past several decades China’s communist government has maintained a plethora of long-standing territorial disputes that have varied both in terms of the kind of territory involved, and the policy outcomes witnessed over time—indeed, China today has the highest number of standing territorial disputes of any country in the world. The contested territories include frontier land, homeland, and offshore islands; and some of these disputes have triggered high level, low level conflicts, or both; while others have been resolved peacefully. At a crude level then, China offers an optimal resource for comparative analysis—i.e. a case with high variance on the kinds of independent and dependent variables relevant to a study of territorial disputes, which I define below.

Second, at the most general level, our findings based on Chinese cases will help us understand the broader and troubling phenomenon today of territorial disputes in developing countries. The majority of contemporary territorial disputants today are developing states, which have been going through significant political and economic

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14 The high level conflicts include the 1962 Chinese-Indian border war, the 1969 Chinese-Soviet border war, the 1974 Paracel Islands clash, the 1979 Chinese-Vietnamese border war, the 1988 Spratly Islands clash; the peaceful resolutions include the boundary disputes between China and a group of its neighbors (e.g. Burma, Pakistan, Afghanistan, Nepal, Afghanistan and Mongolia).
transitions. Surprisingly given this trend, studies that examine how political and economic transitions affect territorial policies are hardly to be found. To address this and related problems of analysis, the case studies in this dissertation explore Chinese territorial disputes over time, because by doing so—by examining the changing face of particular territorial disputes over time—we can more clearly trace how political and economic developments in China have affected both the domestically perceived value of disputed territories, and the Chinese government’s interest and capacity in managing and resolving them. Territorial values and territorial disputes are not necessarily static—they change right alongside changing political and international circumstances.

Third and finally is the “China question” in international relations. Given China’s astronomical growth in power, prestige, and economy over the past several decades, most international scholars agree that “whether [China’s] rise will be peaceful or violent is a fundamental question for the study and practice of international relations” today. China’s stunning rise has created a contest of two competing narratives—one of “China’s peaceful rise” in a new multi-polar international system, the other the so-called “China threat” whereby Chinese aggression threatens to destabilize East Asian politics in the short run, if not global politics in the long run. But Chinese foreign policy is hardly as


16 The political and economic development in the disputant states can greatly affect the policies over disputed territories. For example, the delaying strategy may no longer be the least costly for some disputant states because the unsettled borders stand in the way of the developing regional economic integration and therefore become potentially more costly than before—the prospect of Turkey or Cyprus joining the European Union has run up against the territorial claims of the former over portions of the latter, as well as other disputes involving Greece in the Aegean Sea.

simply as either of these narratives. Even the most cursory look at Chinese territorial disputes over the past several decades reveals rich variation in Beijing’s decision-making for which no single narrative seems appropriate: on the one hand, China has made substantial concessions in most of its territorial disputes with neighboring countries since the end of World War II, including the post-Mao years; on the other hand, China used force (or at least escalation) in territorial disputes long before its current military expansion, including with India in 1962, the Soviet Union in 1969, and Vietnam in 1974, 1979 and 1988, as well as a series of Taiwan Strait Crises.

Recently, rising tensions between China and neighboring states over the South China Sea Islands and Diaoyu Islands have sparked renewed concern over regional stability, and it has often appeared that China is acting more aggressively than ever to project its increasing might. And yet China’s signals can also be extremely difficult to read and even strike one as passive. Thus when Beijing asked China’s navy to “make extended preparations for warfare” on 7 December 2011, and later sent government aircraft to challenge Japan’s control of the Diaoyu Island for the first time on 12 December 2012, China has also hedged its bets publicly on these issues, refusing to tie its own hands or signal a willingness to back off. Is China simply becoming more assertive here? Or is it merely testing the waters, effectively maintaining the status quo?


Or perhaps, have these islands assumed a new level or kind of strategic importance in recent years, prompting China to seize the initiative? What explains China’s actions and timing, and what has made these territories more or less valuable over time in ways that either support the status quo or alter strategic perception towards “win-win” or “winner take all” struggles?

In-depth process-tracing of Chinese territorial disputes helps identify patterns of variation in Chinese territorial strategies over time, attributing the correct meaning to Chinese actions today, and anticipating Chinese policy in the future. Attached to this, a clear theoretical approach can orient this historical process tracing and direct it towards key variables and outcomes whose analysis allows us to form generalizable conclusions.

The theory I propose in this dissertation focuses on territorial values and their effects on territorial policies. I hypothesize that a significant increase in the economic value and salience of a territory would facilitate mutual benefits and inspire cooperative resolutions in a “win-win” manner. I also hypothesize that such cooperation was contingent on the absence of high military and high symbolic value to either disputant state, each of which renders a territory effectively indivisible. Finally, I hypothesize that

substantial increases in military and/or symbolic value of a territory to a disputant state would push the character of territorial disputes towards a “winner-take-all” contest in which violent escalation is likely.

In order to test this theory, I examine four major Chinese territorial disputes and get two major findings: (a) Chinese policies toward the frontier disputes conform well to large parts of my original hypothesis, which explains territorial policies in terms of changing territorial values; but that (b) Chinese policies towards offshore island disputes conform more clearly to state-centered theories based on opportunism, realpolitik, and changes in relative power. For further research, I suggest that this discrepancy in China’s approach stems from differences in land and sea security. Where Beijing has perceived that concessions in territorial disputes pose little long-term security threat economic interests have become salient, and changes in territorial policy have followed changes in the exploitable economic potential of a territory (or in some cases, changes in the urgency of exploiting it). In cooperatively resolved border disputes China has been confident in its military’s ability to protect its northern, western, and southern borders as it saw fit. Perceived military security rendered “win-win” concessions possible to break the status quo.

On the other hand, China’s relative weakness in the sea, where it finds itself always potentially surrounded or challenged by stronger naval coalitions opposed to its own military expansion, has rendered “win-win” concessions far less likely, and steered Chinese policy towards “opportunism,” a strategic search for the weakness of its opponents or promising political openings in order to seize the territory. The implication of this finding is ironic—it suggests that the stronger China’s naval influence becomes
(and the weaker its opposition coalitions), the more likely Beijing is to agree to “win-win” concessions to resolve territorial island disputes.

1.2 Literature Review

Broadly speaking, scholars of international politics have typically analyzed interstate interaction and the resolution of territorial disputes using two different approaches. I review these briefly below. One approach focuses on the characteristics of the state—the state as a structural unit in an anarchic international system; and the state as a domestic institution with varying forms—on territorial disputes. The other focuses on the characteristics of the disputed territories. Both approaches have contributed greatly to our understanding of state decision-making and territorial strategies, and both offer important lessons that I incorporate below.

But state-centered and territory-centered approaches are typically applied in isolation from one another, as well as constructed in quantitative terms that abstract from dynamic historical contexts and action in that context. My theoretical approach (presented fully in Chapter 2) combines attention to the state as both a unitary actor and a mutable domestic institution with attention to the variable value of disputed territory to state actors in changing domestic, international, and historical contexts. This approach constructs a dynamic model of decision-making that focuses on what state actors understand themselves to be doing. Before taking this step, however, I summarize the state-centered and territory-centered approaches and the groundwork they lay for the current project.
1.2.1: State-Centered Approaches

Most of the extant literature on territorial disputes views the state as a unitary actor that makes the final decisions regarding national security policy. In this model all states qua states have the same interests, first and foremost in security, but also in economic and political strength. It follows that in response to a similar set of circumstances all states are expected to respond the same way. Scholars criticize this approach for simplifying state policy and the motivations of human actors too drastically. They argue that treating “states” as abstract units obscures the reality that national leaders have personal (or “subjective”) political interests that are deeply intertwined with, but also independent of, the “objective” interests of the state itself. In practice, national leaders consider a multitude of factors when making public policy; factors that concern their own political survival and political (or other) capital, in addition to broader national interests, and this is true in democratic as well as authoritarian regimes. And yet as the extant literature shows, notwithstanding this human element it is also true that the overriding aims of state foreign policy tend to confirm the basic presumptions of “unitary actor” realpolitik—namely that states place a special premium on security and stability, and subsequently economic growth. Thus generally speaking, even crassly self-interested politicians ignore these imperatives at their own peril. Below we discuss three particular

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elements of state-centered foreign policy models as they pertain to territorial disputes: power, diversionary behavior, and reputation.

**Power**

The theory of realism characterizes states as “unitary actors” in an anarchic international system who are principally, perpetually, and necessarily concerned with security and power vis-à-vis other states. With respect to territorial disputes, then, realists hypothesize that a great asymmetry in the disputants’ military capabilities affects territorial strategies—but not always in the same way. On the one hand some have argued that a great asymmetry in military capability leads to more militarized conflicts over the disputed territory. Based on realist logic, the stronger party will use force to seize the disputed territory (or at least attempt to do so) because they believe they can do so at a relatively small cost given their capability advantage. War then breaks out when the weaker party responds strongly to this aggression. Where no clear (or perceived) power advantage obtains, however, Balance-of-Power theorists explain the opposite outcome, where “equality of power destroys the possibility of a guaranteed and easy victory and therefore no country will risk initiating conflict.”

On the other hand, some scholars argue that great military asymmetry actually makes militarized conflicts over disputed territory less likely because, first, the weak

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disputant tries to avoid war since it faces either losing the battle or winning at an
unacceptable cost; while meanwhile, the strong side also prefers diplomatic to violent
strategy because it can exploit the advantages of capability differences without going to
the battlefield. It can impose a favorable settlement over territory at the negotiating table
through a combination of diplomacy, soft coercion, and persuasion. In addition, the
strong side often does not resort to the use of force simply because it has such a decisive
military advantage that the weaker side lacks the military means to pose a credible threat.
Under such circumstances control over disputed territory is only of minimal military
importance, and not worth the risks. Thus contrary to the Balance-of-Power theory, F.K.
Organski’s Power Transition Theory and Robert Gilpin’s The Theory of Hegemonic War
both claim that parity should lead to war and preponderance to peace.

Empirical findings on the relationship of capability asymmetry and territorial
conflict are not consistent either. Paul Hensel and Sara McLaughlin Mitchell have studied
territorial claims in the Americas and West Europe from 1816 to 2001, and their results
demonstrate that the greater the disparity in relative capabilities between the claimants,
the lower the probability of militarized conflict over the territorial claim. Paul Huth
studies 129 territorial disputes between 1950 and 1990 and finds instead that the effects
of capability disparity on the use of force are non-linear—escalation is more likely when

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26 Fravel, Strong Borders, Secure Nation, 35-36.

27 Huth, Standing Your Ground, 114.

28 In addition, Robert Powell argues that the probability of war is the same at any level of relative power.
Robert Powell, Bargaining in the Shadow of Power: States and Strategies in International Politics.

the challenger and target either possess roughly equal military capabilities, or the challenger enjoyed a clear but not overwhelming advantage; but the possibility of escalation declines when the disparity becomes much greater.\footnote{Huth, \textit{Standing Your Ground}, 113-18.} Nevertheless, Gary Goertz and Paul Diehl examine interstate territorial changes from 1860 to 1980 and their statistical results show no significant correlation between the relative military capabilities and the manner in which territorial disputes are resolved.\footnote{See Goertz and Diehl, \textit{Territorial Changes and International Conflict}, 92-101. It is worth noting that Goertz and Diehl use the “relative capabilities” to represent “relative military capabilities” in their research. In addition, the relative capability is indicated by the industrial capabilities and military component is included in the measure of national capabilities. They justify this measure method by stating that “measures of military capability (personnel and expenditures) are highly correlated (Pearson’s $\gamma= .75$) with the industrial capabilities indicators, and the inclusion of the military indicators did not significantly affect the results reported.”} All of these theoretical hypotheses make intuitive sense, and perhaps all are at work at different times in different places.

M. Taylor Fravel adds a temporal dimension to these static models by studying how \textit{relative capability} affects territorial strategy as \textit{the former shifts over time}.\footnote{Fravel, \textit{Strong Borders, Secure Nation}, 38-9.} On the surface Taylor Fravel’s conclusions accord with the theory that the stronger side in a dispute is more likely to resort to negotiation rather than escalation to achieve a favorable outcome. But his approach is also more subtle—it accounts for the psychological perception by state actors not only of absolute differences in power, but of shifts in relative power now and in the future. Fravel argues specifically that states respond to positive or negative change in their \textit{relative} military capacity over time with either to cooperation or escalation, respectively. When a state’s relative power in a particular
dispute is stable, strong, or steadily strengthening, it is less likely to use force, and more likely to prefer a delaying strategy; when its relative position of strength in a dispute is declining, however, it is more likely to aggressively change the status quo through force.\textsuperscript{33}

Taylor Fravel’s work is especially important because it illustrates, in one form, the dynamics of change which give the same territorial disputes different strategic implications over time. The model I propose in Chapter 2 (and anticipate below) adopts this dynamic approach, but also diverges from it in one important way—rather than focus on changes in relative power from a state-centric perspective, my model focuses on changes in the objective values—strategic, economic, and symbolic—of territory and the perceived importance of territory by state actors over time. Mine is a dynamic model of territorial value, where Taylor Fravel’s is a dynamic model of state power.

\textit{Diversionary Behavior}

If state power theories explain territorial policies by treating states as “unitary actors” with identical fixed interests, other theories explain territorial policy by factors \textit{within} the state, and Diversionary War Theory is the most important of these theories. It takes the self-interested motivation of political leaders and their principal interest in

\textsuperscript{33} It is worth noting that the second part of this argument is similar to the Preventive War Doctrine, which has been broadly criticized for not considering whether the rising and declining powers could construct a bargain, thereby leaving both sides better off than a costly and risky preventive war would. See critiques on Preventive War Doctrine at James Fearon’s \textit{Rational Explanations for War} (1995) and Dan Reiter’s “Preventive War and Its Alternatives: The Lessons of History,” available at http://www.strategicstudiesinstitute.army.mil/pdffiles/pub651.pdf.
keeping office as fundamental to their decision-making. And in the process it characterizes national leaders facing internal social, economic, or political crises which threaten their political survival as more prone to aggressive or belligerent foreign policies.\textsuperscript{34}

In Diversionary War Theory regime crisis is said to create strong incentives for leaders to resort to an escalation strategy and aggressively seek a change in the territorial status quo in order to ensure domestic political survival, especially when the escalation is expected to achieve either (a) national unification, (b) the recovery of lost national territory, or (c) gained access to valuable economic resources. A military campaign over disputed territory may not only divert popular attention from domestic political crises (by inspiring citizens to temporarily “rally around the flag”), but also allow the national leadership to “gamble for resurrection” by demonstrating statesmanlike competence.\textsuperscript{35} The archetypal case of diversionary war is Argentina’s invasion of the Falklands in 1982.\textsuperscript{36}

But not all are convinced by this theory either. On the contrary, Taylor Fravel argues that leaders in the crisis situations are actually more likely to compromise on territorial disputes than to pursue military mobilization.\textsuperscript{37} Rather than escalate conflict


\textsuperscript{37} Fravel, \textit{Strong Border, Secure Nation}. 18
during times of serious domestic legitimacy crisis, leaders instead pursue external support by establishing a quid pro quo relationship with neighbors. In the context of territorial disputes, such cooperation may serve the following purposes: “(1) to gain direct assistance in countering internal threats, such as denying material support to opposition groups; (2) to marshal resources for domestic priorities, not defense; or (3) to bolster international recognition of their regime, leveraging the status quo bias of the international system to delegitimize domestic challengers.”

In arguing this thesis, Fravel uses a “medium-n” research design to examine China’s decision to cooperate or escalate each of its twenty-three territorial disputes since 1949. He finds that China has been more likely to compromise when it faces internal threats to its security, including rebellions and legitimacy crises—for example, the revolt in Tibet, economic crisis after the Great Leap, violence in Xinjiang, and the Tiananmen legitimacy crisis.

Moreover, in a 2005 article Fravel shows that the diversionary hypothesis fails to pass a “most likely” test in the Argentine case and a second most likely test in the Turkish case (Turkish invasion of Cyprus in 1974). He argues that “Argentine leaders’ statements and reasoning indicate that neither rallying nor gambling were primary motives for the invasion. Instead, the need to show resolve in response to Britain’s backsliding at the negotiating table provides a superior explanation for the junta’s

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39 Fravel employs a modified “most likely” approach to theory testing, which is pioneered originally by Harry Eckstein. “A most likely case is one that a theory should explain easily if the theory is valid at all because of the high value of the treatment variable. A failure to find strong support for diversion in such cases should cast broader doubt on the theory.” M. Taylor Fravel, “The Limits of Diversion: Rethinking Internal and External Conflict,” *Security Studies* 19, issue 2 (May 2010): 307-41.
In terms of the Turkish decision to invade Cyprus in 1974, Fravel emphasizes that it was largely unrelated to the instability of elite politics and the need to maintain coalition unity; instead, it was a response to events on the island favoring Enosis and attacks on Turkish-Cypriots.  

Reputation

Concerns with subjective reputation are said to be another variable that shapes national leaders’ decisions on territorial disputes. This group of arguments highlights that one main obstacle to peaceful settlement over international disputes is the incentive to maintain a reputation for toughness in front of domestic and international audiences. Thomas Schelling famously emphasized that a leadership’s reputation is one of the few issues worth fighting for because present behavior is perceived as an indicator of future actions. James Fearon highlighted the role of reputation costs in the escalation of international disputes and domestic policy, and in his footsteps Barbara Walter and Monica Duffy Toft have recently published a series of studies to explain how reputation cost, or “precedent-setting concerns,” constrain national leaders from negotiating with separatists or ethnic groups over territorial control; and both emphasize that the same logic applies to international territorial disputes. If a state gives in on a territorial issue,

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40 Ibid.

41 “Enosis” refers to the movement of the Greek-Cypriot population to incorporate the island of Cyprus into Greece.


43 Fearon, “Rationalist Explanations for War.”
other adversaries may make additional demands from the capitulating state. Therefore, a
government may press a position “not necessarily for the immediate consequences but
with the hope of establishing (or avoiding) a precedent for the future.”\textsuperscript{45} That it refuses to
negotiate with separatist groups can have as much to do with the signal (i.e. separatism
will be costly) the government wishes to send to future challengers (both internal and
external) than with any specific characteristics of the land in question.\textsuperscript{46}

It is undoubted that national leaders consider reputation and image costs when
they decide to respond to a challenge or solve an existing territorial dispute. However, not
only it is often hard to discern how heavily reputation and image cost weigh in final
decision making, but while reputation arguments seem theoretically competent to explain
delaying and escalation, they can do little to help us understand conciliation. That is to
say, since leaders always have an interest in maintaining a tough reputation in all of their
territories, reputation theory as it stands today cannot explain cases in which leaders
abandon their tough stand and adopt a more flexible policy towards territory, particularly

\hspace{1cm}\textsuperscript{44} E.g. Barbara Walter, \textit{Reputation and Civil War: Why Separatist Conflicts Are So Violent}. Cambridge
“Information, Uncertainty and the Decision to Secede,” \textit{International Organization} 60, no. 1, Winter 2006;
“Building Reputation: Why Governments Fight Some Separatists But Not Others,” \textit{American Journal of
Political Science}, Spring 2006. Monica Duffy Tofft, “Issue Divisibility and Time Horizons as Rationalist
Explanations for War,” \textit{Security Studies} 15, no. 1 (January-March, 2006); \textit{The Geography of Ethnic

\hspace{1cm}\textsuperscript{45} Toff, \textit{The Geography of Ethnic Violence: Identity, Interests, and the Indivisibility of Territory}, 27. Toff
highlights that virtually all states, multinational states in particular, are likely to be concerned about
precedent setting. They bargain hard for a seemingly worthless piece of territory because the loss of the
territory itself matters far less than the precedent its loss might set.

\hspace{1cm}\textsuperscript{46} For instance, Walter argues that the main obstacle for a government to locate a peaceful settlement over
separatist conflicts is the incentive to maintain a reputation for toughness, especially when the government
believes it could face multiple separatist challenges in the future. Walter examines all self-determination
movements between 1940 and 2000. These empirical analyses shows that governments were more likely to
invest in reputation against early challengers and less likely willing to accommodate a challenger when
potential future challengers comprised a larger share of the national population.
in situations in which they are not significantly inferior from a military standpoint. For example, why was England willing to give Canada dominion status within the empire in 1867 although it was seriously concerned about the integrity of its empire at the time? And why did Russia decide to make compromises with Azerbaijan and Kazakhstan over the resource-rich Caspian Sea in 2003, and offer a big concession of land to China in 2004, even while it ostensibly needed a reputation of toughness to deal with remaining territorial challenges at home (from the Chechen separatists) and abroad (from Georgia, Japan, Norway, Ukraine, Estonia, and Latvia)? In short, reputation theory may quite help explain the sustained and escalated tension between disputants who do not want to back down; but it cannot seem to explain cooperation and compromise, which many would attribute to weakness.

1.2.2 Territory-Centered (Issue-Based) Approaches

Another type of research on territorial disputes applies an issue-based, rather than state-based, approach. Here the character of the dispute is posited as determinative of


48 After 40-year negotiation following the 1969 Chinese-Soviet border conflict, Russia ceded approximately 174 km² of territory to China on October 14, 2004, which comprises the whole Yinlong Island (known as the Tarabarov Island in Russian), the Zhenbao Island (the Damansky Island) and half of the Heixiazi Island (the Bolshoi Ussuriysky Island). The agreement was ratified by Chinese Standing Committee of the National People’s Congress on April 27, 2005 and by the Russian Duma on May 20, 2005 and the two sides exchanged the ratification documents on June 2, 2005. Russia and Norway have signed a joint declaration on April 28, 2010, which announced an end to their dispute over the frontiers at the bottom of the Barents Sea and the Arctic Ocean.

state action; and to explain territorial disputes the theory focuses on two variables: (1) the salience of territorial issues compared to other kinds of contentious issues; and (2) the tangible and intangible salience that states attach to territory, especially as this affects the territory’s divisibility and the availability of viable paths of compromise.\(^{50}\)

**Territorial vs. Non-Territorial**

Theories of issue salience posit that national leaders are much more willing to engage in rash dispute escalation on issues of high political salience than when less salient issues are at stake.\(^{51}\) Territory is subsequently theorized to be among the most salient issues of international politics, for it is the basis for a state’s claim to sovereignty and security, prior to all other interests. Because the integrity of state borders is so fundamental to a state’s existence, violent escalation to ensure the integrity of state borders is not only justifiable to state actors on its face, but also perceived by them as necessary from an existential point of view.

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\(^{50}\) Hensel and Mitchell (2005) give an explanation of the meanings of “tangibility” and “intangibility” in the second note by referring Rosenau’s and Vasquez’s works. Hensel and Mitchell write: “Rosenau (1971) proposed a typology of contentious issues based on the tangibility of the issue’s ends, or ‘the values which have to be allocated’ (1971, 145), and the tangibility of the means ‘which have to be employed to effect allocation’ (1971, 145). ‘Tangibility is...whether a state’s end can be photographed and its means purchased...Intangible ends are those that cannot be seen directly, such as prestige, status, and rights. A tangible means...must be purchased before it can be used; thus troops or money are tangible. Intangible means are...verbal actions, such as diplomatic communications or negotiations, or nonverbal actions of diplomatic personnel’ (Vasquez 1993, 181).” Accordingly, I regard the economic and military values of territory tangible while the symbolic value intangible. Hensel, Paul R., and Sara McLaughlin Mitchell, “Issue Indivisibility and Territorial Claims.” *GeoJournal* 64, 4 (December 2005): 275-285; J. N. Rosenau, “Pre-theories and theories of foreign policy” In Rosenau J.N. (ed.), *The Scientific Study of Foreign Policy*, New York: Free Press, 1971; John A Vasquez, *The War Puzzle*, 1993.

\(^{51}\) Paul F. Diehl defines the salience of an issue as “the degree of importance attached to that issue by the actors involved” in “What are they fighting for? The importance of issues in international conflict research”, *Journal of Peace Research* 29 (1992): 333-44. In the case of territorial issues, the salience refers to the degree of importance attached to the specific territory under dispute.
That the logic of state action follows this pattern has been supported by empirical findings in earlier quantitative research. For example, it has been found that militarized disputes involving territorial issues are generally much more likely than other disputes to lead to a militarized response by the target state.\(^{52}\) Moreover, militarized disputes over territorial issues typically produce a greater number of fatalities than militarized disputes over other issues,\(^{53}\) and they are also more likely to escalate to full-scale war, even when controlling for the effects of dyadic power status, time period, and rivalry.\(^{54}\)

*Tangible vs. Intangible*

A second issue-based school argues that inter-state disputes are difficult if not impossible to resolve peacefully if the stakes are viewed by either party as indivisible. If territory is on its face an especially salient issue, as described above, scholars nonetheless recognize that voluntary political solutions to territorial disputes can mitigate the existential threats of territorial losses. In other words, where the process is political, states can in theory suffer territorial losses without losing their sovereign territorial integrity.

Noting this, however, it also remains true that some territorial disputes are more


Amenable to political solutions than others. Specifically, territorial issues with greater intangible salience, salience based on cultural value and symbolism (e.g. important homelands or historical possessions; land having identity ties or sacred sites, etc.) are more difficult to resolve peacefully than territorial issues with primarily tangible salience (e.g. resources-rich lands, key upland sites, port outlets or transportation arteries), principally because the former—salience based in culture and identity—renders a territory effectively indivisible from a state actor’s perspective.

The central question in this literature subsequently centers on whether any territory is effectively indivisible, and what factors ultimately determine if this is so. Scholars have generally agreed that nearly all territorial issues are theoretically divisible (in the sense that they can be divided physically or artificially, such as, through sharing ownership, trading off possession, monetary compensation, side payments or linkages with other issues). But they are far from reaching a consensus on why, in practice, territory is often perceived and treated as indivisible by the disputants.

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57 For example, children are not physical indivisible but divorcing parents can divide children through time, or joint custody.
Rationalist theorists argue that the cause of functional indivisibility lies in domestic politics and other mechanisms within the international bargaining process rather than in the nature of issues themselves. For example, James Fearon highlights that the commitment problems and nationalism make national territory effectively indivisible—the domestic political consequences of the rise of nationalism prevent leaders from creating intermediate settlements, where they do not provoke all-out war; and worries about future defection on the terms—the inability of leaders to credibly commit to not pursue the territory in the future—further provoke negotiation failures.\footnote{58} Similarly, Barbara Walter and Monica Toft link the functional indivisibility of territory with reputation and precedent setting. As explained earlier, they emphasize that leaders have to treat territory as indivisible and refuse to set a precedent of compromise, in order to maintain a tough reputation and avoid future secessionist demands.\footnote{59}

In contrast to the rationalist arguments, constructivist theories attribute the indivisibility of territory to the power of identity, culture and history and highlight that political actors can play a great role in constructing and destructing perceived indivisibility. First, constructivist theorists stress that one reason territory often cannot be substituted or divided in practice with other countries is that domestic populations tie the land to cultural, historical, religious, and national identity.\footnote{60} “It is not just that identity

\footnote{58} Fearon, “Rationalist Explanations for War.”


gives territory greater value, in the way that gold is worth more than silver. Rather, identity imbues territory with an incommensurable or non-fungible value. It is this lack of fungibility that eliminates mechanisms of division, and creates indivisible conflict.” As Ron E. Hassner writes, territorial indivisibility is not simply a necessity of sovereign states, but a subjective belief that is determined by the sacred history of the territory.

In addition to the power of identity, religion and history, constructivist theorists also highlight the roles that political actors play during the construction (and destruction) of territorial indivisibility. For instance, Ian Lustick and Cecilia Albin examine how political parties have intentionally constructed the indivisibility of Jerusalem and complicated the dispute in order to further their own political interests. Similarly, Stacie Goddard proposes a legitimation theory of indivisibility and argues that indivisibility is constructed through the negotiation process. Such legitimation strategies ultimately have a “lock-in” effect: the actors can be locked into their own rhetoric and later trapped


62 He argues that sacred space, such as the Q’aba in Mecca and the Temple Mount in Jerusalem, are historical, spiritual and cosmological and “because disputes about sacred space involve religious ideals, divine presence, absolute and transcendent values, there is no room for compromise and no substitute for the disputed space.” Hassner, “‘To Halve and To Hold,’” 24.

63 Ian Lustick argues that the indivisibility of Jerusalem is a fetish that the right-wing annexationist in Israel has carefully cultivated. Although this fetish “has so far deterred public examination of the options that exist,” it has not become a “hegemonic” (i.e. “unquestionable”) belief—“a conception of reality operating at the level of common sense that prevents people from even contemplating alternatives.” In his later article “‘Yerushalayim, al-Quds, and the Wizard of Oz’ Lustick further explains the strategic political logic of fetishizing “Yerushalayim.” Cecilia Albin analyzes the creation of the “unresolvable” Jerusalem problem and explores how negotiation strategy can secure the peace of Jerusalem and eventually resolve the dispute. Lustick, “Re-Inventing Jerusalem;” Albin, “Securing the Peace of Jerusalem.”

64“Actors’ legitimation strategies can either expand the bargaining space among actors by convincing others of their legitimacy, or diminish room for compromise by appearing illegitimate to adversaries. Under some conditions, legitimation strategies leave no room for compromise…eliminating the bargaining space among actors and creating indivisible conflict.” Goddard, *Uncommon Ground: indivisible territory and the politics of legitimacy*, 39-40.
in inadvisable positions. Once this happens—once a particular narrative about the territory becomes salient—it is very hard to reverse the indivisibility of territory and re-establish the territory as divisible.

Although there is no consensus between rationalists and constructivists on exactly why territories, especially those with high intangible value, are perceived as indivisible by state actors, it is generally agreed that territorial issues with greater intangible or symbolic salience are more difficult to resolve peacefully than territorial issues with primarily tangible salience. However, Hensel and Mitchell’s recent empirical analyses, which are done with improved measures of the tangible and intangible salience of territory, present a surprising finding—namely, that claimants are significantly more likely to strike peaceful agreements over contested territories as the intangible salience of the territory increases and are significantly less likely to do so as tangible salience increases. The authors list several potential explanations for this surprising finding, but they do not offer evidence to prove any one of these as superior.

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65 Hensel and Mitchell, “Issue Indivisibility and Territorial Claims.” The “improved measures” means that this project not only measures the overall salience of territory with a single, aggregated index as past research has done, but also measure tangible and intangible salience separately with three respective indicators. And the three indicators each for tangible and intangible salience of territory are used to construct indexes of salience to measure the value of territory in a way that allows systematic testing of hypotheses. As a result, this study analyses provide new information for evaluating the role of tangible and intangible issue salience, as well as report results using the aggregated index for comparison with past research.

66 Ibid. The authors study 191 territorial claims in the Americas and West Europe (1816-2001) with the data from the Issue Correlates of War (ICOW) Project. Their empirically analyses show that raising the intangible salience index from 1 (minimum) to 6 (maximum) increases the chance of reaching agreement by 0.151 (or 84%), while the probability of reaching agreement over tangibly valued land drops by 0.218 (or 61%) when moving from the minimum to the maximum value on the index.

67 For example, possible explanation may be that territorial claims in general have much higher intangible salience than other types of issue, so territories with greater tangible salience might thus be more difficult to manage peacefully regardless of these specific indicators of intangible salience; or, intangible salience does not make territory effectively indivisible or otherwise impede peaceful settlement.
Three points are worth noting here: First, there is a potential tension between state-level and domestic-level theories. Diversionary War Theorists, for example, have highlighted how studies show that national leaders’ decisions on territorial policies are driven in large part by domestic political concerns. Such a thesis may challenge the traditional realist expectation that international conflict is fundamentally a result of the clash between states over issues of national security.\(^6\) A hard realist perspective would look to the interests of “the state” in order to predict international war or cooperation, whereas in practice domestic political concerns—the interests of political elites in particular—may function independently of whatever interests “the state” may have. Yet there is no need for these theories to be mutually exclusive. As is often the case different variables may be more salient in different circumstances, and “state” and “political” interests are likely to interact in interesting ways when one examines particular cases.

Thus one important assumption of my research below is that the interests of political elites parallel broader “state” interests (in realist terms) to significant but ultimately varying extents in varying contexts; and that these elites also make and implement policy in the context of domestic political institutions which constrain them in different ways across time and across country cases. There is a complex interaction between state interests and political calculation in the construction of foreign policy, and my process-tracing approach below implicitly examines this complexity in state policy—i.e. the interaction of structural and concrete political factors—by considering variation in the way state actors pursue both multiple territorial disputes at the same time, and single

territorial disputes across time. The former (a cross-sectional study) holds domestic and international variables relatively constant while highlighting variation in a state’s policy towards different territories; while the latter (a longitudinal study) allows for variation in domestic and international variables over time as they influence policy towards a single territory over time. A process tracing approach that incorporates both cross-sectional and longitudinal studies allows one to more clearly see which kinds of interests exert a more dominant effect on foreign policy at different points in time.

Second, compared to research focusing only on these state-based variables, I believe that studies based on territorial salience, and in particular on the values which state actors attribute to these territories, have the advantage of explaining why disputant countries which have multiple territorial disputes at one point in time—many of these with the same opposing country—adopt different strategies to deal with these same disputes. In other words, holding both “objective” state interests and “subjective” political variables constant, states nonetheless pursue different policies towards different territorial disputes at given times. The explanation for this, I want to suggest, lies in the different values actors attribute to these territories, which also change over time.

Third, the correlation between natural resources on disputed territory and military conflicts is unclear. On one hand resource conflict literature, which has developed since the 1990s, argues that the decline of ideological conflict after the end of the Cold War has elevated natural resource competition to the most important cause of war. It is the demand of rapidly growing populations and competition for access to vital globally-valued resources (e.g. oil), say scholars, that will increasingly drive international
For instance, in *Resource Wars: The New Landscape of Global Conflict*, Michael Klare analyzes the very likely conflicts among Syria, Jordan and Israel for the limited water delivered by the Jordan River. And he argues that resource conflicts have been and will be repeated at dozens of locations throughout the world, such as conflicts over oil in the Persian Gulf and in the Caspian and South China Seas, over water in the Nile Basin and other multinational river systems, and over timber, gems and minerals from Borneo to Sierra Leone. The resource conflict theorists stress that in a resource-scarce world one resource-rich land may be ironically cursed by its resource wealth which, whether in petroleum, timber, minerals, gems or some other resource, may increase disparity, encourage corruption, reduce the urgency of reform, bring about economic and political instability, and become an underlying cause of conflict.

It may be intuitive that natural resources motivate conflict, but some empirical studies concerning the discovery of natural resources on contested land show an opposite result—that natural resources provide more incentives to cooperate. For example, statistical research that is done by Paul Huth shows a positive correlation between the economic value of territory and the probability that a challenger will seek a resolution of territorial dispute through compromise, and a negative correlation between the economic

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value of the territory and the probability of dispute escalation.⁷⁰ Among fifty-four cases in which economically valuable territory was in dispute, about forty cases (or about 74 percent) result with low-level conflict, including a group of disputes involving access to oil rights (e.g. Argentina vs. Uruguay, Tunisia vs. Algeria, Iran vs. Saudi Arabia, Oman vs. UAE, Qatar vs. Bahrain, Saudi Arabia vs. Iraq, and Saudi Arabia vs. Kuwait).⁷¹ Similarly, Monica Duffy Toft’s work on ethnic conflicts shows that ethnic groups living in resources-rich regions were less likely to be involved in violence than groups living in resource-poor regions.⁷² And the potential profit from jointly developing natural resources has more than once pulled disputants back to the negotiation table. Thus, these empirical results challenge part of the resource-conflict arguments that regard natural resources as a key motivating factor in conflict and a “curse” rather than “blessing” for the peaceful resolution of territorial disputes. They question whether the increase of economic value of contested territory necessarily means an increase of escalation. For example, I show below that the evolution of the South China Sea disputes shows that it is too simple to argue that the potential petroleum reserves is the reason for the 2010 Chinese-Vietnamese and 2012 Chinese-Filipino confrontation in the South China Sea.

In short, all of these inconsistent research results and mixed arguments beg for further study of international territorial disputes, and particularly for a more flexible

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⁷⁰ Paul Huth defines the economic value of territory as natural resources with export value located within/proximate to the territory in question. In his statistical analyses, the correlation between the economic value of the contested territory and the probability of escalation (compromise) is -0.233 (0.147). The marginal impact of economic value of contested territory on the level of conflict over disputed territory (the probability of the challenger compromising) is -13% (4%). Huth, Standing Your Ground, 96.

⁷¹ Huth, Standing Your Ground, 113.

⁷² Toft’s research focuses the ethnic conflicts and does not directly study the territorial disputes, so territorial disputes are not necessarily involved in every study case. Toft, The Geography of Ethnic Violence: Identity, Interests, and the Indivisibility of Territory, 43.
consideration of territorial strategies that moves beyond static correlation models and achieves a thicker historical understanding of the cases, but also without abandoning a generalizable theoretical approach that can be tested and criticized.

1.3 Plan of the Dissertation

This dissertation consists of seven chapters. Following this Introduction is Chapter 2: A Theory of Territorial Values and Policies, which outlines more concretely my theory and hypotheses of state action in territorial disputes. Parts II and III of the dissertation subsequently test my hypotheses, using historical process tracing, in two broad contexts: Frontier Disputes and Offshore Island Disputes. Chapters 3 and 4 examine territorial value and Chinese policy over several decades of Chinese-Russian and Chinese-Indian frontier disputes. Chapters 5 and 6 examine territorial value and Chinese policy in Chinese-Vietnamese and the Chinese-Japanese offshore island disputes. Chapter 7: Conclusion summarizes my conclusions regarding the strength of my original theory and how it might be improved given my collected evidence.
CHAPTER 2: A THEORY OF TERRITORIAL VALUES AND POLICIES

“…We have done nothing extraordinary, nothing contrary to human nature in accepting an empire when it was offered to us and then in refusing to give it up. Three very powerful motives prevent us from doing so – security, honor, and self-interest. And we were not the first to act in this way. Far from it.” 73

2.1 Introduction

The modern international system is dominated by states, 74 which Max Weber called “the form of human community that (successfully) lays claim to the monopoly of legitimate physical violence within a particular territory—and this idea of ‘territory’ is an essential defining feature.” 75 Control over territory establishes a state’s claim to “sovereignty,” and without controlled territory a state loses its essential function. But with secure territory also comes many potential sources of strength: population to tax and enlist in military tasks; natural resources to exploit; and strategic locations to fortify. For all of these reasons, territorial disputes have been the most common issue over which

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states collide and fight wars\textsuperscript{76}—indeed, if we look at armed confrontations between states in the post-WWII era, territorial disputes have been the usual primary cause for them.\textsuperscript{77}

Many more factors than sovereign integrity have compelled states to prioritize territory and go to war over land. Indeed as far back as Thucydides, students of war have recognized at least three broad factors that inspire states to fight—namely “fear, honor and self-interest.” And notably, all three of these factors bear directly on the problem of territorial disputes: territorial integrity and strategic resources implicate a state’s concern with security; honor and identity raise the stakes of territorial disputes and may render certain territory effectively indivisible; and natural resources on disputed territory can compel states to reconsider the economic self-interest of status quo policies, cooperation, or even escalation. My theoretical project begins from this basic understanding of the three essential forms of state motivation and studies territorial disputes by examining how these entangled factors of “fear” (military value of the territory), “honor” (symbolic value) and “self-interest” (economic value) have shaped China’s territorial policies. Given how intertwined these motivations are in practice, a major goal of the study is to reveal the conditions under which one factor or another appears to trump the other two.

To put briefly, my theory of territorial values and policies focuses on the changeability of territorial values and its effects on territorial policies.\textsuperscript{78} I presuppose that


\textsuperscript{77} “…Michael Brecher and Jonathan Wilkenfeld have identified over 280 international crises between 1946 and 1988, and in close to 50 percent of the cases, territorial issues were a direct cause of the crises, or they played a primary role in the deterioration of relations between states and the onset of the crises. Similarly, of the twenty-one wars fought between states since the end of World War II, territorial disputes were a primary cause of the armed conflict in fourteen cases.” See Huth, \textit{Standing Your Ground}, 4-5.
a piece of territory is disputed because of its economic, military, and/or symbolic importance, and I hypothesize that a cooperative territorial policy is more likely when the economic value of the territory increases (contingent on low symbolic and military value), while an escalation policy is more likely when the symbolic or military value increases, independent of economic factors. As a result disputes over territories with high economic salience are, all else equal, more likely to be resolved peacefully, while disputes over territories with high symbolic or military salience are more likely to either fester for long periods of time or escalate into armed conflict.

2.2 Territorial Strategy and Territorial Value

Facing an existing territorial dispute, disputant states typically have recourse to three types of strategies: delaying (maintain the status quo), escalation (use of military force, threats, or coercion), and cooperation (drop claims or transfer control of some or all of the contested land via diplomacy and negotiations) (see Figure 2.1).79

78 In addition, in my case studies I pay much attention to the influence of “opportunism” or “miscalculation” of political leaders on territorial policy-making and distinguish escalations that may be due to the miscalculation of an opponent’s willingness to fight over the disputed territory. Usually, escalation poses risks based on the uncertainty associated with spirals of hostility or domestic political punishment for military defeat, in addition to the human and material costs of war. However, disputant A may decide to act aggressively when it perceives a “window of opportunity” and believes that it is very likely that the adversary, disputant B, would not be willing to fight a war at that moment or would quickly back off because of certain reasons (e.g. disputant B is suffering tough economic or political crisis at home, or losing the military support from its allies). Therefore, under this situation, it seems that disputant A aggressively switches from a delaying to an escalation strategy, disputant A does not really expect that using force would lead to a serious fight over the contested territory, but believes that “the successful use of force is to show it, not actually to fight.” However, when disputant A guesses wrong and it turns out that disputant B is not only willing to go to war but also willing to fight a long war over the territory, either a territorial war between A and B would occur or, and more probably, disputant A would eventually back down. In this argument, war can occur despite complete agreement on relative power across states. Fearon gives a detailed explanation on this point in his Ph.D dissertation “Threats to Use Force: The Role of Costly Signals in International Crises,” (Ph.D Dissertation, University of California, 1992), Chapter 1 and in his article “Rationalist Explanations for War,” 394-395.
The delaying strategy is adopted most of the time because, among these three strategies, delaying is usually theorized to be the least costly and most appealing to the risk averse—cooperation can carry a high domestic political price and international reputation cost, while escalation risks “the uncertainty associated with spirals of hostility or domestic political punishment for military defeat in addition to the human and material costs of war.”

A delaying strategy can allow a disputant state to consolidate its claim

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79 According to M. Taylor Fravel, a delay strategy involves doing nothing but maintaining the territorial claims through public declarations and participating in negotiations while refusing to compromise. In addition, I think a delay strategy should also include some low level protest and/or conflict, through which governments intentionally (re-)emphasize their attitude toward the contested territory for certain reasons (e.g., domestic pressure, political campaign) rather than really seek to break the territorial status quo by escalating the dispute. See Fravel, *Strong Borders, Secure Nation*, 12.

80 Fravel, *Strong Borders, Secure Nation*, 12-13. This theory is supported by Huth and Allee’s territorial dispute data. See Paul K. Huth and Todd L. Allee’s *The democratic peace and territorial conflict in the twentieth century* (Cambridge University Press, 2003), 143. Paul Huth and Todd Allee examine 348 territorial disputes between 1919 and 1995 and end up with 6,542 observations for what they term the Challenge the Status Quo Stage (In the Challenge the Status Quo Stage, the challenger state has to decide whether it will seek a change in the status quo and, if so, by what mix of diplomacy and/or military force).
and strengthen its control over the contested territory, or buy time to strengthen its capabilities and “achieve a more favorable outcome in the future, either at the negotiating table or on the battlefield,” particularly when it is weaker militarily than its opponent. Therefore, given the status quo incentives, it is crucial to understand what the key factor is that drives states to abandon the delaying strategy for either escalation or cooperation.

From the Literature Review in Chapter 1 we saw first that a large proportion of existing scholarship explains territorial strategy from a state-centric perspective that emphasizes power, reputation, and domestic political pressure in a manner that only indirectly (where at all) acknowledges the pivotal problem of the value of the disputed territory (from a quantitative and qualitative perspective) in shaping territorial policy. Other scholarship that accounts for territorial value regards this value as static or constant: although scholars have realized that the value of contested land varies both across cases and between claimant states, they typically have failed to recognize that the value of a particular piece of territory, to each particular state, can change over time, and that changes in territorial value can in turn explain shifts in territorial policy. In seeking general trends in large-n analysis, they sacrifice analysis of the moment of decision, and miss the exogenous changes that affect territorial value and bring these decisions to bear.

Therefore, different from the existing literature, my project emphasizes that the value of a contested territory varies over time, and this variation has independent effects.

They find that the most frequent choice of the challenger is to maintain the status quo and refrain from either diplomatic or military initiative (approximately 67 percent of the observations). In contrast, the leaders of challenger states initiate talks about 27 percent (1,782 observations) of the time, while resorting to military force accounts for only 6 percent (390 observations) of the observations.

on when and how territorial disputes are approached by claimant states. The independent variable (IV) in my theory of territorial disputes is the value of contested territory, which I code as either economic, military, or symbolic, and as increasing or decreasing in each aspect at particular points in time; and the dependent variable (DV) is the strategy of territorial dispute, which I code as either delay, cooperation, or escalation.

**Figure 2.2: IV and DV**

<table>
<thead>
<tr>
<th>Independent Variable</th>
<th>Dependent Variable</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value of Contested Territory</td>
<td>Strategy of Territorial Dispute</td>
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</table>

**Indicators of Territorial Value**

To examine the value of contested territory and study its influences on territorial strategy, I first lay out a series of attributes that contribute to territorial value and offer a basis for defining indicators of each kind of value—economic, military, and symbolic (see Figure 2.3). Later I explain why I expect the most relevant indicators of these attributes to vary over time.
Figure 2.3: The Indicators of Territorial Value

Economic Value: Resources and Opportunities

The economic value of territory mainly comes from its economic resources, which refer to all the physical components that can contribute to economic development. First and foremost, economic resources include the natural resources located within or proximate to bordering territory. Second, economic resources also include the population on the contested land. A state may gain great benefit by having control over the people living on the land, especially when the population is large and working age citizens are educated and skilled. Although a state’s productive capacity nowadays is not as directly proportional to the size of its population as it once was, a large population seems to still
be a necessary (but not a sufficient) condition for attainment of major power status.  
Third, the economic resources that contribute to territorial values include the contested land itself as well, namely, the size and fertility of the land. A large and fertile area could greatly enhance the food production of the controlling state and provide the state the space needed for economic development and national expansion.

In addition to economic resources, the value of a piece of land may also come from the number and variety of economic opportunities made possible by the possession of this territory – not only market and job opportunities from the territory itself, but also all of the finance, transportation, networks and markets that are associated with this territory or become available after controlling it. For example, a ruling state gains more trade opportunities when the territory gives access to trade routes, or is close to potential markets, or when the additional resources and markets from that territory facilitate other trade opportunities. As Goertz and Diehl point out, “New land areas offer not only sources of raw materials, but also the ability to sell the products made from those raw materials to the populace of the new territory [and its neighboring areas].”

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82 The peaceful reunification of Germany in 1990 offers a good example on this point.

83 Nazi Germany used this to justify its quest for Lebensraum at the expense of neighboring territories in the early 20th century. Lebensraum literally means “living space,” and Adolf Hitler and his Nazi Party believed that adding living space could strengthen Germany by solving internal problems and providing food and other raw materials. In Mein Kampf Adolf Hitler addresses: “… it [Germany] must find the courage to gather our people and their strength for an advance along the road that will lead this people from its present restricted living space to new land and soil, and hence also free it from the danger of vanishing from the earth or of serving others as a slave nation.” See Adolf Hitler, Mein Kampf (Boston: Houghton Mifflin, 1971), 646.

Military Value: Geographic Features and Location, and Military Resources

A disputed territory has military value mainly because of its contribution to a state’s security; it may contribute to national defense, particularly to the extent that it contains defensible geographic features, such as rough upland terrain or mountains.

Besides its geographic features, a territory is of militarily strategic importance to a state when it meets any of the following qualities: (1) it provides an outlet to the sea for an otherwise landlocked state; (2) it provides a desirable location from which the state can project military power offshore in close proximity to major shipping lanes; (3) it is in close proximity to the choke points of narrow straits; (4) it is used as a military base; (5) it is close to the naval bases of the state; and (6) it blocks a primary route through which a challenger would attack the state.85 For example, Gibraltar, disputed by the United Kingdom and Spain, is a small peninsula at the Strait of Gibraltar, which is the only entrance to the Mediterranean Sea from the Atlantic Ocean. Gibraltar’s location grants it great military importance. British control of Gibraltar enabled the Allies to control the gateway to the Mediterranean during the Second World War.

In addition to strategic location and geographic features, the military value of territory may also come from its militarily-strategic resource reserves (e.g. rare earth mineral deposits). Access to military resources may directly strengthen the controlling state’s military capability by providing vital materials for the weapons industry. For example, Libya and Chad have territorial conflicts over the Aouzou Strip along their

85 Huth, Standing Your Ground, 74.
borders because this area is believed to be rich in deposits of uranium (besides iron ore), which could be used to support a nuclear weapons program.\textsuperscript{86}

\textit{Symbolic Value: Ethnic, Religious or National Ties, and Historical Connections}

In addition to tangible economic and military value, a territory may have intangible symbolic meaning. Territory lies “at the heart of national identity and cohesion, with the very existence and autonomy of a state being rooted in its territory.”\textsuperscript{87} More specifically, one disputed territory may be symbolically valuable because the residents of this given territory share a common race, religion, or national origin with the population of the disputant states. When state boundaries do not correspond to ethnic or religious boundaries, states may regard such boundaries as artificial and seek to reunite groups with the same ethnic or religious heritage.\textsuperscript{88} The boundary inconsistency usually exists in two ways—one is that state boundaries divide homogeneous groups into separate sovereignties (e.g. China vs. Taiwan, Inner vs. Outer Mongolia, South vs. North Korea, East vs. West Germany, and South vs. North Vietnam); another is that ethnically or religiously heterogeneous groups are forced to unite in the same state (e.g. the Irish in Britain-ruled North Ireland and Muslims in India-controlled Kashmir). Whichever the case, capturing or maintaining the sovereignty of territory with ethnic, religious or national ties, particularly when the land is disputed, carries high symbolic importance.

\textsuperscript{86} See Benjyamin Neuberger’s \textit{Involvement, Invasion and Withdrawal} (Tel Aviv: The Shiloah Center for Middle Eastern and African Studies, 1982), Chapter 4.

\textsuperscript{87} Hensel, “Territory: Theory and Evidence on Geography and Conflict,” 87.

\textsuperscript{88} Goertz and Diehl, \textit{Territorial Changes and International Conflict}, 19.
Furthermore, when a holy site is located on the contested land, the desire of controlling the land becomes particularly strong. For example, the century-long border disputes between Thailand and Cambodia have been complicated and bloody, because both sides want to have the sacred Preah Vihear Temple that is situated in the Dangrek Mountains, which forms a natural border between Cambodia and Thailand.\(^89\)

The symbolic value of a given territory may also stem from historical connections to the land or with its people. A state may believe that it has a claim on a given territory because this territory was the historic homeland of its nation. Irredentism is directly connected with a sense of national dignity and unity. One of the most familiar cases is the Israel-Arab dispute. Israeli recapture of the West Bank was rooted in the historical claim that this area was part of the ancient Jewish homeland. Historical connections to the land may also mean that the territory in question was previously under the sovereign control of one or all contesting states, either as a colony or other dependency; and this narrative renders capturing or maintaining the territory part of a grander cultural and historical narrative on which national pride and dignity rests. For instance, Argentina asserts its claim over the Falkland Islands not only based on the belief that the Falklands are part of the Argentine homeland, but on the historical fact that Argentina inherited sovereignty over the Falklands from the failed 1810 Spanish government under the principle of *uti possidetis*—“by which newly independent Latin American nations claimed to replace former Spanish administrative boundaries with national ones”\(^90\) and exercised

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\(^89\) The contest over the Preah Vihear Temple and surrounding territory has escalated into military clashes since June 2008.

sovereignty over the islands until 1833. On the other hand, Britain legitimates its claim to the Falklands by highlighting the fact that the islands have been ruled as a British crown colony since 1833 and populated by British citizens for well over a century.\(^9\) As Monica Toft points out, even if discourses are not “real,” they have real, material consequences.\(^2\)

2.3 Changes of Territorial Value

In the case studies of this dissertation different attributes of value are examined diachronically to determine whether there are substantial, relevant changes in the economic, military and/or symbolic value of a contested territory that might be expected to influence territorial strategy.\(^3\) In Section 2.4 I explain the causal effects that I expect substantial positive or negative changes of each of these kinds of values to have. In this section I first describe the circumstances under which we would expect these positive and negative changes to happen.

Changes in the Economic Value of Territory

The factors that affect the economic value of territory over time include (a) technology development and the discovery of extractable natural resources, and (b) industrialization and increased demand for natural resources. Advances in technology increase the ability to detect and extract natural resources. When previously unknown natural resources (and especially strategic natural resources like petroleum) are


\(^3\) It is not enough to show subtle changes in territorial value. Rather, the evidence should demonstrate that significant changes of territorial values occurred.
discovered and a state enjoys a higher level of extraction capability, the exploitation of a territory’s resources becomes feasible or less costly. This makes the contested land more valuable.

At the same time, some have argued that the development of air transportation depreciates the economic value of some territories, particularly those on the sea or with connecting waterways. In earlier times trade power was largely determined by access to the ocean and naval capability. With the development of air transportation, however, although access to port facilities is still an important concern, economic dependence upon water transportation has declined. When evaluating the territory’s economic value, then, greater emphasis is now placed on mineral and other resources in a territory.  

Industrialization also leads to changes in the economic value of territory and increases the salience of natural resources. As an industrializing state becomes more and more dependent on natural resources to maintain stable development, a contested territory rich in energy resources (e.g. oil, natural gas) or industrial metals (e.g. copper, aluminum, zinc, nickel, and rarer metals) becomes increasingly valuable to it. Economic salience could also increase if the world market price for a commodity increases. At the same time Industrialization increases land’s value through new investment potential. “Barren” land which was valueless for an agricultural economy may appreciate significantly in value when it is covered by strips of commercial and industrial development, when industrial

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markets are established around it, or even when it is viewed as a strategic throughway for the transportation of economic resources and products.\textsuperscript{95}

\textit{Change in the Military Value of Territory}

Changes in the military value of territory are driven by four principal factors—(a) the military capability of disputants, (b) domestic politics, (c) international relationships, and (d) the exploration and exploitation of military resources.

Modern warfare technologies have meant that the traditional notions of security are being modified and the military value of physical territory may be changing significantly. The introduction of ballistic missiles, aircraft carriers, and submarines has freed troops and military strategy from prior geographic land constraints in warfare, but this has not necessarily rendered land itself less important. Indeed, while vulnerability to ground invasion remains a serious concern, new arms inventions have also meant that the need for access to international air or water space has increased the military value of certain strategic launch, basing, and choking points for air and missile defense systems.

The domestic politics of disputants may also lead to changes in military value of contested territory. When insurgent forces appear in or around the disputed territory, the military value of this piece of territory will significantly increase. For example, Russia claims certain territories respectively with Georgia and Azerbaijan, in order to secure its military and naval base rights and maintain troops. The military value of these claimed territories (“value” here deriving from a sense of fear or urgency) was swelled greatly by

\textsuperscript{95} On the other hand, it is worth noting that overexploitation of land may in the long run depreciate its value through pollution or resource exhaustion.
the Chechen independent movements, especially during the First and Second Chechen War.

International relationships and regional alliance structures represent another important influential factor on the military value of territory. Territorial disputes are often symptomatic of wider bilateral or even trilateral relations. For instance, although the Indian-Nepali territorial dispute appears to be minor, it was aggravated in 1962 by tensions between China and India, since the disputed area lies near the Chinese-Indian frontier and was significant for Indian security in the Chinese-Indian military conflicts. Conversely, the disputed borderlands between China and Russia, Kazakhstan, Kyrgyzstan and Tajikistan became less militarily important with their creating the “Shanghai Five” grouping (the predecessor of the Shanghai Cooperation Organization, an intergovernmental mutual-security Organization) and signing the “Treaty on Deepening Military Trust in Border Regions” in June 1996.

Last but not least, the military value of contested territory increases significantly when military natural resources (uranium and other rare earth minerals) are detected or when the claimant state has a better capability than before to take advantage of the military natural resources.

Change in the Symbolic Value of Territory

The symbolic value of contested territory mainly changes in response to nationalism, international norms as well as political manipulation. First, the rise of nationalism contributes to the increase of symbolic significance of the disputed territory. The idea of national-sovereignty that emerged in the late eighteenth century has
constructed territory “as inalienable from the nation,” a condition which “undermined the territorial horse-trading practiced by absolutist states.”

The ideological characteristic of modern states means that even outlying territories have been perceived as an indivisible component of the core states. Therefore when nationalism, and irredentist nationalism in particular, is stirred up by certain external shocks, such as a sudden sovereign action of the opponent to acquire the disputed territory (e.g. the Argentine invasion of the Falkland/Malvinas Islands in 1982 and the Japanese government’s nationalization of the Diaoyu/Senkaku Islands in 2012), a local populace is more likely to show a greater sensitivity and stronger national sentiment toward territorial integrity; and accordingly, the symbolic significance of territorial issue skyrockets in response to aggression.

Second, the symbolic value of territory may vary with the evolution of international norms. The increasing international norms of anti-colonialism, national self-determination, democratization, and globalism, etc., have to varying extents affected politicians’ and populaces’ attitudes toward territorial disputes. On one hand, new norms appeal to the international audience as well as domestic to legitimate claims over territories. On the Falklands dispute, for example, while the Argentinean government strongly upholds the flag of anti-colonialism, Britons insists that the principle of self-


\[97\] For example, Paul Huth and Todd Allee employ advanced statistical tests to compare the explanatory power of three theoretical models (i.e. Political Accountability Model, Political Norms Model and Political Affinity Model) across each stage of a territorial dispute (i.e. Challenge the Status Quo Stage, Negotiation Stage and Military Escalation Stage). Their results provide strong support for the importance of democratic accountability and norms in shaping the diplomatic and military policies of incumbent leaders. Huth and Allee, *The Democratic Peace and Territorial Conflict in the Twentieth Century*. 
determination should walk in front of anti-colonialism. On the other hand, the acceptance of international norms by disputant states has the potential to decrease symbolic pressure to maintain hold of disputed territory in light of international consensus—losing a territory may sting one’s national pride less if the basis of this loss is a principle one can legitimately affirm. Accordingly, political interpretation of histories, and propaganda relating to international norms should be examined to determine changes in the symbolic value of contested territory.

In a similar vein, a disputant state actor may alter the symbolic importance of contested territory by skillful political “management,” such as re-framing historical issues, providing new historical evidence, or persuading religious actors to redefine the meaning, value, or parameters of a sacred site.98 As Maoz Azaryahu and Aharon Kellerman have argued:

“The symbolic loading of a place with historical myth amounts to the ‘invention of tradition’... Such a tradition is neither static nor restricted to a single period or process of ‘invention’. The reading of the history of places varies over time, and, even within a certain period, several mythical interpretations of a given place may be possible...whereby there is a ‘reinvention’ of traditions for ancient places in the light of contemporary political and social needs of specific sectors of society. Changes in interpretations of places and their history may constitute either a continuous process... or a discontinuous one...”99

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98 In “Re-inventing Jerusalem” Ian Lustick examines how Israeli politicians have actively redefined “Jerusalem” and tailored it to available political opportunities and existing international constraints.98 And in “Yerushalayim, al-Quds and the Wizard of Oz” Lustick further explores the behind-the-scene political manipulation of the Israeli-Palestinian conflicts and stresses that the mystery facade of Israeli-Palestinian problem, intentionally created by politicians, has been gradually stripped away by the failure at Camp David, the successes of Taba, and the pain associated with the al-Aqsa Intifada. Similarly, in War on Sacred Ground Ron E. Hassner explains how political leaders are able to manage conflicts over sacred places through eliciting the cooperation of religious leaders or persuading the religious leaders to redefine and reinterpret the sacred parameters in a manner conductive to conflict resolution.

Indeed history is an extension of politics, and can draw attention and become useful when it is needed by politicians. For instance, China’s government did not start to search for historical evidence relating to its claims in the South China Sea until the late 1940s, when it realized the strategic importance of the South China Sea to its existence and development. In other cases, certain images may be removed from historical photos, and the “explanation” or “interpretation” of certain histories may change for political purposes. It is not very rare to hear different explanations of certain historical events or issues from different politicians or parties within the same state. For instance, British diplomats have given two versions of interpretation of “the 1833 incident” in the Falklands.  

British diplomats argued first that the 1833 actions were simply a reassertion of British historical right. They did not claim title based on conquest. However, more and more doubts emerged both inside and outside of Britain in the early 20th century which questioned the historical right England had to the Falklands that supposedly made the 1833; and accordingly, some British foreign officers started to interpret the 1833 use of force as an intentional action to seize the islands and transfer the titles by conquest. They further claimed that because transferring titles by using force was legitimate and legal in the nineteenth century and British control of the islands had lasted over one century, acquisitive prescription gave Britain title to the Falklands. A hundred years of possession transformed a de facto possession into a de jure one.

100 In January 1833, Britain sent two warships, the Clio and the Tyne, to the Falkland Islands and seized the lands easily. Since then, the Falkland Islands has been ruled as a British crown colony and populated by British citizens.

101 Gustafson, The Sovereignty Dispute over the Falkland (Malvinas) Islands, 27-33.
As a kind of sentiment or attitude, nationalism is intangible and hard to measure. Nationalist protests are symptomatic of swelling symbolic importance, however, so I identify the rise of nationalism by investigating nationalist protests in the case studies. Particularly, when large-scale, territorial issue-oriented protests are held in China, the symbolic value of the territory in question is believed to have increased greatly. Meanwhile, I examine the “wording” employed in the Chinese official statements and documents, regarding to the disputed territories, to identify whether and when significant differences arise in the interpretation of a particular territorial issue.

2.4. Hypothesis: How Changing Territorial Values Affect Territorial Strategy

The central hypothesis of this dissertation is that change in the value of contested territory inspires states to alter the status quo and actively pursue resolution of territorial disputes either through “win-win” cooperation and negotiation, or through “winner take all” escalation and violence. Specifically, I hypothesize that on one hand increases in the symbolic and/or military value of territory render the territory effectively indivisible and prompt actions that escalate situations in a “winner take all” fashion; while on the other hand, significant increase in economic value creates incentives for cooperative solutions and negotiation, although successful cooperation also requires that territory not be indivisible from a symbolic or strategic point of view. Thus when the symbolic or military value of contested territory increases to a disputant state, escalation of the dispute by that state is more likely, and it is especially likely when both increase (independent of changes in economic value); but when the economic value increases in ways that are objectively recognizable to one or both states, cooperation over the
contested territory is more likely, granted either that symbolic or military value were low to begin with, or (what is more likely to effect compromise in practice) that one or both of these values has decreased over time at the same time that economic value has increased (See Tables 2.1 and 2.2. below). When there is no significant change in territorial value during a delaying situation, a delaying strategy is maintained.

The logic of these hypotheses can be usefully explained in further detail: First, whereas it is more feasible for states to “quantify” the economic value of territory and thereby peacefully divide it or trade it with side payments, the abstract “emotional significance” of symbolic territory and the “strategic importance” of military territory are both hard to measure, and equally hard to divide or substitute for. Symbolically valued land, for example, is perceived as personal, indivisible, and un-substitutable, for it is integral to national identity and integrity.  

Leaders of modern nation states will be penalized with severe electoral or audience costs for losing a territory with high symbolic value, and rewarded well for winning a symbolically valued territory.

Second, cooperation over territory that has great economic salience is less likely to have “image/reputation losses” for states and leaders than concessions over territory without it. One main obstacle impeding states’ ability to locate a peaceful settlement that both would accept is the incentive to maintain national honor and a reputation for toughness. But fortunately, image losses can be minimized and an acceptable agreement struck if both sides are willing to make concessions simultaneously toward an

102 Tir, “Averting Armed International Conflicts Through State-to-State Territorial Transfers,” 1240. “Personal” means that the people feel as if they have a personal stake in the land.

equitable and fair agreement.\textsuperscript{104} Put differently, the discovery of valuable resources on a territory and a mutual interest in the economic value of a territory, far from being a “resource curse” during protracted territorial disputes, actually provides new opportunity for mutually face-saving negotiation that may not have existed before. States not only have more to gain through cooperation, but suffer fewer “image losses” when the economic value of a disputed territory becomes more salient than symbolic or strategic values. A territorial dispute does not necessarily mean engagement in a zero-sum game. Here it may be approached as a face-saving positive-sum (i.e. win-win) one.\textsuperscript{105}

Third, unlike symbolically salient or strategically salient territory, it is more feasible for states to settle separately the \textit{ownership} and \textit{usage} of territory that has greater economic value—that is, to achieve a “functional settlement” that puts aside the ownership of the claimed territory and first works on its usage. The short term cost of keeping a territorial status quo rises as the value of the claimed territory increases. As a result, sharing the usage of territory may be wiser than either keeping the status quo with an opportunity cost, or escalating and waging a territorial war with an even higher cost. Meanwhile, the functional cooperation efforts can establish new trust between the two governments and between their peoples, which facilitates the eventual resolution of the sovereignty issue.\textsuperscript{106} In this sense, economic value makes the functional settlement more likely—the disputants could jointly explore the natural resource and share the profit

\textsuperscript{104} Hensel and Mitchell, “Issue Indivisibility and Territorial Claims.”

\textsuperscript{105} Territorial issues are generally regarded as zero sum in conflict resolution.

\textsuperscript{106} The material and financial inputs accompanying the economic cooperation (such as, investments in infrastructure, settlement, transportation and even commerce and industries on the territory) increases the cost of incurring war on the disputed territory, thereby makes the peaceful resolution more likely.
based on respective investments in the joint development; or, they may share access, such as port outlets, to promote their exports. However, it is also important to note that it is much less feasible for disputants to reach a functional settlement over territory that is highly symbolically valued because the symbolic significance of the claimed territory is closely attached with sovereign ownership and integral to national or ethnic identity. For such land, even political compromises that seem to give both parties something to celebrate can easily trigger off confrontations. It is also difficult to reach functional settlements over strategic land because of mutual suspicion and existential fears—the more that military value of land is attached to fear and hostility, the less divisible it is.

What this suggests, then, is that the ability of increased economic value to push a state towards cooperation and negotiation hinges on the low salience of values that render the land effectively indivisible—namely symbolic value and strategic value. If claimants become allies, for example, the military value of a territory decreases and the divisibility of a territory becomes more possible, for at least four reasons: First, allies have common military interests, so they may agree to share usage or compromise over sovereignty for a common goal. Second, allied countries enjoy a friendly relationship and mutual trust, so they see a low possibility of military threat from each other and the loss

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107 For example, the Temple Mount, a sacred site in the Old City of Jerusalem, is claimed by both Israel and Palestine. It has been under the control of Israel since 1967, when Israelis captured the West Bank, east Jerusalem and the Old City from Jordan in the Six-Day War. Yet, the Temple Mount is currently managed by the Muslim Waqf and Jews are still forbidden from using the site to pray. This arrangement has caused to a series of frictions and clashes between Jews (right-wing Zionist in particular) and the Arabs in the past decades.

108 For example, China conceded the White Dragon Tail Island to its ally, North Vietnam, in 1958, when they were fighting against the South Vietnamese-American alliance. The United Kingdom became more willingly to make cooperation with Spain over Gibraltar after Spain officially joined the North Atlantic Treaty Organization in 1982. “Gibraltar,” The Guardian, 4 August 2004, http://www.theguardian.com/world/2004/aug/04/qanda.foreignpolicy.
(or at least sharing) of further territory. Third, countries suffer fewer image losses when they make compromises with their allies than when they do with non-allies or rivals. Fourth, the possible divisibility of a military-valued territory becomes likely when the allied claimants face the same substantial security threat from a common enemy and there are mutual benefits to be had from clarity and cooperation.

Divisibility of territory is a precondition for cooperation, but not sufficient to incentivize cooperation and compromise—usually this incentive will come from tangible economic benefits. And the divisibility of territory is not fixed, but varies as the value of territory varies. As we have just seen, one indivisible territory may become divisible when its military or symbolic value decreases. But alternatively, one divisible territory may also become indivisible when its military or symbolic value greatly increase; for when either the symbolic or military value of a territory to a disputant states escalates significantly, the character of the territorial dispute (from that state’s perspective) easily shifts from a comfortable status quo to a “winner take all” scenario prompting escalation. This is true even if one “winner take all” value decreases while the other increases, for the increase in one of them functions as a sufficient trigger of escalation.

Thus my theory of territorial disputes, given a situation of initial status quo, predicts shifts to “win-win” cooperative strategies or “winner take all” escalation strategies by either disputant state under the following conditions, where positive and negative arrows signify significant positive or negative changes in value:
TABLE 2.1: COOPERATION/CONCESSION PREDICTED (WHEN ECONOMIC VALUE INCREASES)

<table>
<thead>
<tr>
<th>ECONOMIC VALUE</th>
<th>MILITARY VALUE</th>
<th>SYMBOLIC VALUE</th>
<th>POSSIBILITY OF COOPERATION/CONCESSION</th>
</tr>
</thead>
<tbody>
<tr>
<td>↑</td>
<td>↔</td>
<td>↔</td>
<td>Slight</td>
</tr>
<tr>
<td>↑</td>
<td>↓</td>
<td>↔</td>
<td>Probable (But depends on low status quo symbolic value)</td>
</tr>
<tr>
<td>↑</td>
<td>↔</td>
<td>↓</td>
<td>Probable (But depends on low status quo military value)</td>
</tr>
<tr>
<td>↑</td>
<td>↓</td>
<td>↓</td>
<td>Very High</td>
</tr>
</tbody>
</table>

TABLE 2.2: ESCALATION PREDICTED (WHEN MILITARY AND/OR SYMBOLIC VALUE INCREASES)

<table>
<thead>
<tr>
<th>ECONOMIC VALUE</th>
<th>MILITARY VALUE</th>
<th>SYMBOLIC VALUE</th>
<th>POSSIBILITY OF ESCALATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>↑, ↓, ↔</td>
<td>↑</td>
<td>↔, ↓</td>
<td>Probable (Escalating military value is trigger, independent of others.)</td>
</tr>
<tr>
<td>↑, ↓, ↔</td>
<td>↔, ↓</td>
<td>↑</td>
<td>Probable (Escalating symbolic value is trigger, independent of others.)</td>
</tr>
<tr>
<td>↑, ↓, ↔</td>
<td>↑</td>
<td>↑</td>
<td>Very High</td>
</tr>
</tbody>
</table>

In the following chapters I study four territorial disputes in which China has been involved to test my theory and see to what extent it is able to explain Chinese territorial policies. Chapter 3 and 4 examine Chinese frontier disputes with Russia and India. Chapter 5 and 6 investigate Chinese offshore island disputes with Vietnam and Japan. In each chapter I begin by introducing the historical background of the case in question, and then explain the values of the disputed territory and Chinese policies toward the disputes at different historical stages. Lastly, I discuss whether the correlation between the changing territorial values and the territorial policies pursued by China in each specific
case is consistent with my theory; and if not, I offer the most compelling reasons why the findings do not support my hypotheses.
PART II: CHINESE FRONTIER DISPUTES

China shares a border with fourteen land neighbors, and when the communist government took power in 1949 it inherited from the Nationalist government border disputes with all of them. In the past six decades the Chinese government has reached comprehensive settlements in twelve of these fourteen cases. Of the twelve settled disputes, some were resolved peacefully with China making substantial concessions without significant violence. For example, China relinquished 82 percent of its disputed area to Burma after three rounds of negotiations in 1960, and 100 percent of its territorial claims to Afghanistan following boundary talks in 1963. Similarly, China acceded to most of Nepal’s demands and only received one out of the eleven disputed sectors (about 6 percent of the total disputed land) on March 21, 1960.

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109 According to the CIA, the total length of land boundaries of China is the longest in the world at about 22,117 km. The lengths of China’s contiguous country borders are as follows: Afghanistan 76 km, Bhutan 470 km, Burma 2,185 km, India 3,380 km, Kazakhstan 1,533 km, North Korea 1,416 km, Kyrgyzstan 858 km, Laos 423 km, Mongolia 4,677 km, Nepal 1,236 km, Pakistan 523 km, Russia (northeast) 3,605 km, Russia (northwest) 40 km, Tajikistan 414 km, Vietnam 1,281 km. www.cia.gov/library/publications/the-world-factbook/fields/2096.html It is worth noting that according to Chinese data China and Russia share a 4300-kilometer-border, including a 58-kilometer-western sector.

110 The Chinese-Burmese boundary treaty and the Chinese-Nepalese boundary treaty were signed in 1960; the Chinese-Mongolian boundary treaty was signed in 1962; the Chinese-Pakistani boundary treaty and the Chinese-Afghan boundary treaty was signed in 1963; the Chinese-Laos boundary treaty was signed in 1993; the Chinese-Kazakh boundary treaty was signed in 1994; the Chinese-Kyrgyz boundary treaty was signed in 1996; the Chinese-Tajikistani boundary treaty was signed in 1999, the Chinese-Vietnam land boundary treaty was signed in 1999, and the Chinese-Russian agreement regarding the last piece of disputed island was signed in 2004. The border problem between China and North Korea was also settled through secret negotiations in 1962.

111 The disputed sector that China received was approximately 145 square kilometers, while Nepal received the other ten disputed sectors, which were approximately 2,231 square kilometers. In addition, of the approximately 17,000 square kilometers that were disputed between China and Mongolia, China received 5,000 square kilometers (35 percent) and Mongolia received about 12,000 square kilometers (65 percent). A Korean scholar estimated that China relinquished about 60 percent of the disputed territory, besides additional concessions over the Changbai (Paektu) mountain’s eastern slope. The concessions made by
Other border disputes were eventually resolved but produced violence prior to final resolution through negotiations, the latter sometimes occurring years after the border clashes. For instance, in addition to island battles over the Paracels (1974) and Spratlys (1988), China and Vietnam engaged in multiple border clashes throughout the 1980s, including an especially bloody one in April 1984. Nevertheless, following the normalization of bilateral relations China and Vietnam reached agreement over their contested borderlands and divided them evenly in December 1999. China’s only unresolved border contests are with India and Bhutan.

Comparing these outcomes leads one to wonder, why have some of China’s border disputes only been solved following violent escalation while others have been solved more or less diplomatically? On the other hand, why have some disputes remained deadlocked over long periods, with no ease of claims by either side, but also no clear sense of urgency to end the dispute? When are long periods of deadlock finally broken? Part I of this dissertation seek to answer these questions by examining the history of China’s frontier disputes with Russia (Chapter 3) and India (Chapter 4) since the establishment of Communist rule in 1949.

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Beijing to Pyongyang were so significant that the local authorities in the border provinces of Jilin and Liaoning protested. See Fravel, *Strong Borders, Secure Nation*, 46-47, 91-92, 110-114; Chae-Jin Lee, *China and Korea: Dynamic Relations* (Hoover Institution Press, 1996), 99-100.

The Chinese-Indian and Chinese-Russian disputes are particularly useful for comparative purposes. First and most importantly, they exhibit a wide range of both (a) within-case variation in policy decisions (i.e. different policies over time regarding specific territorial disputes) and (b) cross-case variation with respect to the salience of violence and cooperation, and resolution and non-resolution of border disputes (e.g. with Chinese-Russian disputes having been resolved, while Chinese-Indian disputes persist). In the process, considering both Chinese-Russian and Chinese-Indian disputes allows us to compare the development of these bilateral relationships over time and at the same points in time throughout the past several decades.

In the early 1950s, for example, both Chinese-Russian and Chinese-Indian policymakers cautiously maintained the status quo of contested borderlands while also pursuing joint development projects on them. By the late 1950s and 1960s, however, numerous confrontations occurred along the Chinese-Indian and Chinese-Russian borders, although some years earlier in the former, and at a smaller scale in the latter: In 1959 there was an armed clash between Chinese and Indian forces at Longju and the Kongka Pass, followed by a full scale border war between China and India in 1962; in 1969 several armed border clashes also broke out between China and the Soviet Union. In both cases a long period of stalemate followed the military violence. Only recently (2005)

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113 This particularly fits the China-Russia case. During this period Chinese policy seemed relatively consistent and conservative. This is perhaps to be expected by a regime still emerging from a protracted civil war.

114 Longju is a small hamlet near the eastern China-India border, and Kongka Pass is a high mountain pass in the Chang-Chemno Range in the eastern China-India border.

115 The Sino-Indian border war occurred between 20 October 1962 and 11 November 1962; the Chinese military casualties were 722 killed and Indian military casualties were 1,383 killed. The Sino-Soviet border conflict occurred between 2 March 1969 and 11 September 1969 and the casualties claimed by each side were much smaller (China claimed 29 killed and the Soviet Union claimed 58 killed).
the Chinese-Russian border dispute was conclusively resolved through negotiations; while the contest over Chinese-Indian borders remains unsettled, with no clear resolution in sight.

A comparison of Chinese-Russian and Chinese-Indian border disputes facilitates the investigation of many interesting questions: Is there any reason to believe that the latter might be peacefully resolved, and anytime soon? Why was there cooperation at certain times in both these cases, but violent conflict at others? And why was the pattern initially similar in both cases but later different? Why were China’s border disputes with Russia eventually completely resolved through negotiations while the Chinese-Indian disputes remain deadlocked?

In addition to having comparative politics advantages, the Chinese-Russian and Chinese-Indian disputes also have substantive advantages over other disputes—namely, in that they involve much larger and more strategically important territories than those in most other Chinese boundary disputes, making them particularly high stakes. On one hand, the establishment of the Chinese-Russian border represents one of the defining stories of the modernization of East-Central Asia since the 17th century. As Neville Maxwell writes, “The history of the [Chinese-Russian] territorial contest—initially between two great land empires and then between their residual modern incarnations—is a saga of expansion and retreat, follies and misunderstandings, trickery, atrocities, battles and near-wars, seesawing rises and falls of state power. That this contest has had a happy ending must make it a tempting subject for a new historian’s full treatment.”116 And more

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concretely today, the recent settlement of Chinese-Russian border disputes has important domestic and international implications: It has, for example, not only reduced the defense cost and military presence on both sides of the borders, but also (as discussed in greater detail in Chapter Five) gotten rid of one important obstacle hitherto preventing the two parties from working together to solve their island disputes with Japan.\textsuperscript{117}

Today the stakes are also high in the Chinese-Indian border disputes as (notwithstanding what an actual war between the world’s two most populous countries would mean) relations between China and India also bear on the broader politics and stability of Asia.\textsuperscript{118} It has been argued that although China and Bhutan have made progress on their border dispute by holding annual meetings since 1984, the final settlement of the Chinese-Bhutanese border dispute will depend on the evolving China-India-Bhutan triad and the development of the Chinese-Indian territorial dispute. As one China scholar writes, “Attempts to settle these disputes have necessarily been linked, as India ‘guides’ Bhutan’s foreign and defense policy thorough a 1949 treaty.”\textsuperscript{119}

\textsuperscript{117} Specifically China’s disputes with Japan over the Diaoyu/ Senkaku Islands and Russia’s disputes with Japan over the Kuril Islands/Northern Territories.


\textsuperscript{119} Fravel, \textit{Strong Borders, Secure Nation}, 168.
CHAPTER 3: CHINESE-RUSSIAN FRONTIER DISPUTES

Prior to 2 June 2005, the Chinese-Russian frontier dispute had existed continuously for over three centuries. That day, however, China’s then-Foreign Minister Li Zhaoxing and Russian Minister of Foreign Affairs Sergei Lavrov exchanged ratification documents resolving the final piece of disputed island between the countries. Then, what finally pushed China and Russia towards a peaceful resolution, after such a protracted dispute? How had the character of this dispute changed over time?

This chapter begins by introducing the historical background of bilateral territorial disputes between China and Russia before 1949. It then identifies and distinguishes between the economic, military and symbolic value of the disputed territories for China over time, and how changes in territorial value shaped China’s territorial policies.

The analysis in this chapter shows that when the economic value of contested territory increased and military value decreased, a cooperative territorial policy was adopted (1949-1959; 1985-2005); when military value increased and economic value decreased, an escalation policy was applied (1960-1969); and when, for an extended period, there was no significant change in the territorial value, a delaying policy was implemented (1970-1985). These findings largely support my theory on the correspondence of territorial values and policies, but suggest limitations on the effects of symbolic value.
3.1 Historical Background

Prior to the 17th century China’s and Russia’s borders did not touch, so there was no boundary dispute between them. However, beginning near the middle of the 16th century Russia’s growing power led first to eastward expansion into the Siberian area, and then to southern expansion after reaching the Pacific seaboard. During the southward phase, Russians penetrated the Amur basin and worked down the river to its estuary; they founded a fortified township on the headwaters of the Amur, and built forts and set up trading posts for furs on the rivers (see Map 3.1).\textsuperscript{120}

Map 3.1 Russian Expansion (1533-1894)


\textsuperscript{120} Russia’s power started to grow when Ivan IV Vasilyevich became the first ruler to be crowned as ‘Tsar of All Russia’ in 1547. During his long reign (1547-1584), Ivan undertook reforms and modernization in Russia, which significantly strengthened the Russian state and transformed it from a medieval nation state to an expanding empire and emerging regional power. Czarist Russia was attracted by the wealth that the natural environment of Siberia offered in the form of furs, minerals, timber and the like; Siberia and Central Asia offered an appealing outlet for the czarist ambition to build empires, which was frustrated and blocked in Europe by the major powers. Therefore, Tsar Ivan IV encouraged the wealthy and powerful Russian merchants (such as the Stroganov family) to conquer Siberia by granting them large estates in the second half of the 16th century. These Russian merchants organized the expansionist groups with the Cossacks (a group of nomadic Slavic people who were living in the Southern Russia) and Russian prisoners-in-exile.
By the mid-17th century China’s Manchu rulers recognized a significant military challenge in Russia’s northern incursions and sensed the need to banish northern intruders by force. As a result, a series of intermittent skirmishes between the Chinese and the Russian-led Cossacks broke out around the Amur River between 1652 and 1689, with the Chinese troops taking an upper hand in these battles. In 1685 the Chinese side achieved the most significant victory at Albazin (a village on the Amur River and about 942 km west of Khabarovsky) and the Russians subsequently proposed negotiations to establish a boundary. The two sides met at Nerchinsk in August 1689 and worked out the first ever boundary agreement between China and Russia – the Treaty of Nerchinsk - on 7 September 1689.\(^{121}\)

Initially each side was happy with the settlement. From the new Manchu rulers’ perspective, the Treaty of Nerchinsk checked Russians’ eastward advance and removed Russian outposts from the Amur basin. The security and stability of China’s eastern frontier created a better environment for the Manchu rulers to quell domestic riots and rebels and to consolidate the power of the new empire.\(^{122}\) The Russian emperor was also satisfied with this settlement because, first, the Treaty of Nerchinsk legalized his control over a much larger territory in the Far East than what he originally thought he could get—the Chinese negotiators at first demanded a frontier much farther north, but

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121 The Treaty of Nerchinsk laid down a frontier rather than a boundary because it used major geographical features (such as, mountain ranges) rather than the precisely defined lines on maps and on the ground to separate the sovereignties. The Treaty of Nerchinsk was written in three languages – Latin, Manchu and Russian, and the Latin version was the most authoritative because it had the signature from each side.

eventually relinquished the claim to a tract of approximately 90,000 square miles. The Russian emperor was so pleased by the results that he ennobled the Russian negotiator when he returned back home.

The Treaty of Nerchinsk proved durable for over one and a half centuries, until roughly the mid-19th century when China’s and Russia’s international and domestic prestige began to diverge. On one hand, the Chinese Manchurian Empire (or Qing Empire) had become highly vulnerable to foreign aggression and, as one consequence, rebellion from within. Manchurian political weakness was both evident and exacerbated by the Qing’s defeat to Britain in the Opium Wars (1839–1842; 1856–1860), which was followed by the Taiping Rebellion (1850-1864). On the other hand, by this time the Russian Empire had developed into a formidable political and military power in both Europe and Asia, stretching even into North America by the 19th century. This expansion was spurred in large part by the modernizing reforms that Peter the Great implemented between the late 17th century and the early 18th century.

Moreover, the Treaty of Nerchinsk secured Russians’ claim to Transbaikalia (a mountainous region on Russia’s southeastern frontier, lying to the east of Lake Baikal) and Russian trade caravans’ right of passage to Beijing. Changbin Jiang, Zhong’E Guojie Dongduan de Yanbian [The Evolution of the Eastern Section of Chinese-Russian Boundary], 63. Jiang argues that such a big concession was made mainly because the Chinese negotiators were short of bargaining strategies and skills.

The Taiping Rebellion was a widespread, bloody civil war between the Qing Empire and the Chinese ‘Christian’ rebels, led by Hong Xiuquan. It ravaged 17 provinces, at its height containing about 30 million people. It is one of the deadliest military conflicts in Chinese history – it took about 20-30 million lives during 15 years and most of the deaths were attributed to plague and famine. At the Third Battle of Nanjing in 1984, more than 1 million were killed in three days. The Qing government crushed the rebellion with the eventual aid of French and British forces. Taiping Rebellion was the first serious threat to the traditional Confucian system and its institutions in China and irrevocably altered the Qing Empire. The Nian Rebellion (1853-1868), the Muslim Rebellions (1855-1873) and the Boxer Rebellions (1899-1901) all stem from the emotions and ideas which emerged from the Taiping vision.

Peter focused his efforts on strengthening the Russian army and especially the navy; and in fact the Russian navy became so powerful that in the Great Northern War (1700-1721) Russia defeated Sweden and Poland and seized supremacy in the Baltic.
Encouraged by the success of Britain and France in pouncing on China’s weakened position, Russia persuaded (or coerced) the Manchurian leaders to sign a series of new treaties granting Russia huge territory and trading benefits. Among these treaties, the Treaty of Aigun (1858) and the Treaty of Beijing (1860) established much of the modern Chinese-Russian frontier. The Treaty of Aigun reversed the Treaty of Nerchinsk by having China concede over 600,000 square kilometers (equivalent in size to the land area of France) on the northern bank of the Amur River to Russia. The treaty permitted Chinese who resided in sixty-four villages north of the Amur River to retain their domiciles in perpetuity under the authority of the Manchu government. In other words, the Manchu government kept jurisdiction of these villages while Russia owned their territorial sovereignty. The treaty also provided for joint occupation of the territory east of the Ussuri River to the Pacific, and for joint Russian and Manchu navigation of the Amur. Promptly, the Russians founded Khabarovsk near the junction of the Amur and Ussuri.

Two years later the Treaty of Beijing further consolidated and extended Russia’s territorial gains from China in the Treaty of Aigun. According to its terms, the eastern boundary between the two empires was set along the Argun, Amur and Ussuri Rivers, meaning that in addition to territory along the northern bank of the Amur River, Russia also exclusively controlled the land along the eastern bank of the Ussuri boundary (the

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126 During the negotiation on the Treaty of Aigun, Russia coerced the Chinese negotiators with Russian forces constantly shooting off cannons; and when negotiating over the Treaty of Beijing, Russia convinced China that Russia was a friendly power and might help China deal with the Anglo-French siege of Beijing. These treaties are also known as “unequal treaties” because of the harsh terms they contained.

territory roughly corresponds to the Eastern acquisitions of Alexander II in Map 3.1). The Treaty of Beijing also defined, although not precisely but for the first time, the Chinese-Russian western boundary line and provided for the opening of Russian consulates in Mongolia and Xinjiang.

Russia’s striking expansion in Manchuria not only threatened China, but also put pressure on Japan (particularly, Japanese saw Russians acquiring railroad concessions into Manchuria as the precursor to further territorial expansion in the region); and subsequent Russo-Japanese conflicts had important effects on Russo-Sino border disputes. Japan watched Russia’s advance in Manchuria with increasing concern, and when Japan defeated Russia in the Russo-Japanese War of 1904-05, it quickly took over the railways, ports, and access to mineral resources in Manchuria. Japan further established a puppet state, *Manchuguo*, in Manchuria in 1931 and turned Manchuria into a base from which to invade the rest of China.

After the Japanese surrender in World War II, Soviet Russia was concerned about any foreign temptation to make Manchuria once more into a base for anti-Soviet threats and tried to regain a special position in Manchuria, similar to that under Tsarist rule before the Russo-Japanese War. Soviet entry into the war in the Pacific enabled Soviet troops to penetrate Manchuria, Xinjiang and Inner Mongolia, and the Chinese-Soviet Treaty of Friendship and Alliance that was signed by the Chinese Nationalist Government on 14 August 1945, gave Moscow a further wedge into the affairs of these borderlands.\(^{128}\)

\(^{128}\) This treaty granted the Soviets a series of privileges. For example, it guaranteed the joint ownership and operation of the Chinese Eastern Railway, the South Manchurian, Port Lushun and Dalian for thirty years.
By the rise of the Chinese Communist regime in Beijing in October 1949, the Soviets had gained full control of Manchuria, regaining the railway that crossed it and Port Lushun (Arthur) and developing extensive interests in Xinjiang, while Outer Mongolia had previously seceded and become a Soviet puppet state, the Mongolian People’s Republic. Although the Chinese Communist government took a number of steps to organize both Manchuria and Xinjiang and to integrate them into the body politic of China in the early 1950s, the Soviet official influence and control in these regions remained significant. Moscow did not agree to an immediate departure from Manchuria and Xinjiang and a complete return of the Trans-Manchuria Railway, Port Lushun and the commercial port of Dalian (Daren). The boundary rivers – the Argun, Amur and Ussuri – were essentially under Soviet control as well.

3.2 The Disputed Territories and their Value

Before the border issue was finally resolved through negotiations in 2004, there were actually three Chinese-Soviet/Russian borderlines: (1) the Treaty Line. This line is basically defined by a series of treaties (including the treaties mentioned above) signed by the Qing government and Russian emperor. Chinese government views these treaties as ‘unequal’ and claims China lost about 1,500,000 square kilometers of territory to Russia because of the treaties. Although China’s government does not recognize the validity of the unequal treaties the Qing government signed, it was willing to use them as


The Soviets remained their special rights and presence in Manchuria and Xinjiang till the end of 1955.
the basis for border negotiations; (2) the Map Line. It is a line drawn on a small-scale map that Russia attached to the Treaty of Beijing. There is discrepancy between the map and the wording of the treaty, and the Map Line gives more territories to Russia than the Treaty Line; (3) the Line of Actual Control. At multiple locations the Line of Actual Control lay south of the Map Line. As a result of these contradictory border lines, the border issue between China and Russia has been complicated and confusing.

Since 1949 the Chinese-Russian border has traditionally fallen into two sectors—the eastern sector and the western sector, divided by the buffer state of Outer Mongolia. The eastern sector divides Chinese Manchuria from the Russian Far East and the western sector has historically divided the Chinese province of Xinjiang from the once-Soviet and now independent areas of Kazakhstan, Kyrgyzstan, and Tajikistan. Prior to the collapse of Soviet Union the Chinese-Soviet boundaries totaled about 7,600 kilometers; with the collapse of Soviet Union in 1991, the Chinese-Russian border became about 4,300 kilometers. Most of the previous western Chinese-Soviet boundary became boundaries between China and Kazakhstan, Kyrgyzstan, and Tajikistan, leaving only a 58 km border with Russia in the west.\textsuperscript{131} China peacefully solved boundary disputes with these three newly independent states in the 1990s by making considerable concessions – China received 34 percent of disputed borderlands with Kazakhstan, 32 percent with Kyrgyzstan and only 4 percent with Tajikistan.\textsuperscript{132} Because the most prominent frontier

\textsuperscript{131} China and Russia signed the western sector boundary agreement in 1994.

\textsuperscript{132} The Chinese-Kazakh boundary treaty was signed in 1994; the Chinese-Kyrgyz boundary treaty was signed in 1996; and the Sino-Tajikistani boundary treaty was signed in 1999. All of these treaties were quickly done after China and the Soviet Union/Russia signed the Sino-Soviet Border Agreement in 1991, which largely finalized the 4,300 km border between the two states, except for a few disputed areas.
disputes between China and Russia mainly involved the eastern sector, especially since 1991, the analysis in this chapter focuses on the eastern sector.

Map 3.2 The Eastern Chinese-Russian Frontier

The eastern frontier problem between China and the Soviet Union begins with the Treaty of Beijing (1860), which leaves a great deal unspecified and inconsistent. For example, the text of the treaty defines the Argun, Amur and Ussuri as the boundary rivers without explicitly describing where the boundary line lies. In other words, it remained unclear who wielded sovereignty over the rivers themselves. According to international rules the center or thalweg line of the main channels should be the boundary line and determine the ownership of the river islands. However, on a small-scale map (1:1,050,000) that Russia attached to the Treaty of Beijing reflecting the terms of the

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Without the 1991 Chinese-Soviet Border Agreement, it is much less likely that China could reach the border treaties with Kazakhstan, Kyrgyzstan, and Tajikistan.

133 The thalweg is a line defining the lowest points along the length of a riverbed or valley, whether underwater or not.
treaty, the boundary line that was drawn in red by the chief Russian boundary commissioner Peter Kozakevich in 1861 went along the Chinese banks, thereby making both the rivers and their islands/islets (more than 700) exclusively Russian. Among these river islands, the Heixiazi Island and the Abagaitu Islet are two major ones (see Map 3.2). In total, the disputed eastern sector covers approximately 1,200 square kilometers.

### 3.2.1 Economic Value of Contested Territory

The economic value of the contested eastern frontiers comes from the Argun-Amur-Ussuri boundary rivers. The Argun River rises in Inner Mongolia, merges with the Shilka River at Ust-Strelka to form the Amur River, and eventually flows into the Pacific Ocean through Russia’s Strait of Tartary. The Amur River receives many tributaries, with the Zeya, Bureya, Songhua, and Ussuri being the major tributaries (see Map 3.3). As the world’s 8th longest river and 11th largest watershed, the Amur watercourse (the Argun and Ussuri included) is about 4,440 kilometers long and its watershed exceeds 2 million square kilometers. The boundary rivers have significant water resources and support over 120 fish species that are distinguished for their delicious taste and big size. Fishing is consequently another major local industry besides lumber.
The north side of the border rivers faces the Russian Far East and the south side faces Chinese Manchuria.\footnote{“Manchuria” is the historical name referring to what is today usually called “Northeast China” or “the Northeast (Dongbei in Chinese).” The change of designations occurred from the late 1940s to the early 1950s. With the change of name, the drier western part, the Xing’an region, was detached from historic Manchuria and, with its Mongol population, transferred to an enlarged Inner Mongolia. Manchuria consists of three provinces: Heilongjiang, Jilin, and Liaoning. Heilongjiang, the largest and northernmost province among the three, faces the Russian Far East across the Amur and the Ussuri River.} The rivers have traditionally served as the main transportation route for both sides. Settlements and industries (especially lumber), located away from the railroads, depended heavily upon the rivers. The river islands have been used for haying, fishing, and logging. Particularly for the Russians, prior to completing the section of the Trans-Siberian railway in the Far East in 1916, the Argun-Amur-Ussuri rivers afforded the only means of long-distance travel in this region, and with few exceptions the earlier towns in this area grew up along the rivers. The river islands have been traditionally used for haying, fishing, and logging. The navigation season lasts about 6 months when the rivers are not frozen. When the rivers are frozen during the coldest winter months, they become ice roads that can support auto transportation.
The Amur Basin is also rich in mineral resources. Remarkable gold deposits were found along the Amur River and the Amur River was also known as ‘the river of gold sand.’ The deposits of gold and copper, together with other minerals (such as magnesium, aluminum, fireclay, limestone, silver, lead, and zinc), make the Amur basin one of the richest gold- and copper-producing areas in East Asia.

### 3.2.2 Change in Economic Value

**Figure 3.1 the Evolution of the Economic Value of the Contested Frontier (1950-2010)**

![Economic Value Graph]

Figure 3.1 shows briefly the evolution of the economic value of the contested territory during 1950 – 2010. First, the economic value was increasing in the 1950s. China’s civil war ended with the establishment of Communist rule in Beijing in 1949. Consequently, fish in the border rivers and crops in the river basin were not only the main food resources for the Manchurian population, but also played an important role in alleviating the food shortage confronting the rest of post-war China. Unlike most of China proper, where three-thousand years of land exploitation left a great deal of infertile soil, the black soil of the Amur Basin, as well as the Manchuria Plain, had been used only as grazing land and remained largely untouched by the beginning of the 20th century. Therefore, the agricultural potential of the borderland was considerable. Also importantly,
the lumber and mineral resources along the contested frontier were of great importance to the new China’s national construction and economic restoration. The border rivers, serving as the major transportation line, shipped the lumber and mineral resources (including those supplied by the Soviets) to the major train stations of the Trans-Manchurian Railway, where the resources were further delivered to the hinterland of Manchuria and other areas of China proper. These natural resources had played a crucial role in supporting Manchuria to serve as China’s industrial center. Last but not least, border trade across the border rivers that started in the late 1940s and developed in the 1950s had contributed particularly to the local economic recovery and development, even though the volume of cross-border trade was small compared to the total trade between the two countries.135

Compared to what they possessed in the 1950s, China’s ability to exploit the economic potential of the contested frontier lands did not decline much in the 1960s; however, their ability to take advantage of the border rivers did decline, in the sense that Chinese fishing activities on the boundary rivers and civilian use of the rivers were greatly cut off by Soviet tightening of regulations. In 1967 Soviet gunboats blockaded Chinese vessels passing through the confluence of the Amur and the Ussuri, the only year-round navigable passage between the two rivers. This left Chinese vessels with the Fuyuan/Kozakevo Channel as the only connection between the rivers, a passage that was non-navigable for most of the year.136 As a consequence Chinese fishing, logging, and

135 For example, even in the highest year – 1959 – it was 3% of total trade between China and the Soviet Union. Qinglin Chi, Bianjing Maoyi yu Jingji Fazhan [Border Trade and Economic Development], Ph.D Dissertation (Graduate School of Chinese Academy of Social Sciences, 2011).
mining along the frontier were to different degrees negatively affected by the limited use of the border rivers. Meanwhile, the border trade between China and Soviet Union started to drop as early as 1962 and was officially suspended in 1969. By the late 1960s, Chinese economic activities along the frontier were basically frozen; what continued was the persistence of the Chinese frontier guards in maintaining patrols.\footnote{Maxwell, “How the Sino-Russian Boundary Conflict Was Finally Settled—from Nerchinsk 1689 to Vladivostok 2005 via Zhenbao Island 1969,” 243.} This situation was maintained throughout the 1970s.

A significant increase of the economic value of the contested frontier occurred in the second half of the 1980s, in large part because of economic complementarity on both sides and increased potential benefits of cross-border cooperation. And for China, by this time employing a growing labor force in the region was also especially important. In 1978 China famously began an economic reform which transformed the old planned economy into a socialist market economy and set up a comparatively complete industrial system. Under the new economic system, the state-owned enterprises (SOEs) in Manchuria lost a large part of the special assistance and subsidies that they had received from the central government prior to 1978. At the same time, Special Economic Zones (SEZs) were established on the southern coast of China in the early 1980s that were given special economic policies and flexible governmental measures to attract foreign capital and advanced technology (such as exempting foreign capital from taxes and regulations). As a result, the SEZs gradually replaced Manchuria as the industrial bases of China, particularly with the rapid growth of light industry. And the traditional SOEs of

\footnote{Maxwell, “How the Sino-Russian Boundary Conflict Was Finally Settled—from Nerchinsk 1689 to Vladivostok 2005 via Zhenbao Island 1969,” 244.}
Manchuria lost their market share to the newly formed foreign-invested enterprises and township and village enterprises (TVEs) that are nominally owned by local government but de facto private. In order to survive, the moribund SOEs had to lay off their workers, who subsequently became as a source of local instability in Manchuria and were desperate for new job opportunities.

In contrast to the increase of population and spare labor in Manchuria, the Russian Far East since the collapse of the Soviet Union had experienced a rapid population decrease because of massive outmigration and a more general population decline (particularly male) in Russia (see Figure 3.2).\textsuperscript{138} For example, the population of the Far East district declined by 16.8 percent between 1989 and 2002, and that of Amur Oblast by 14.5 percent.\textsuperscript{139} As a result, Russia near the contested border faced the opposite problem of China—labor-deficiency became a major obstacle for normal economic development in the Russian Far East, especially in the Amur region.\textsuperscript{140}

\textsuperscript{138} The primary causes of Russia’s population decrease and loss of about 700,000 to 800,000 citizens each year since the early 1990s are a high death rate (mainly alcohol-related death), low birth rate, high rate of abortions and a low level of immigration. See “The Incredible Shrinking People,” \textit{The Economist}, 27 November 2008, http://www.economist.com/node/12627956.


\textsuperscript{140} “A 1994 study stated that ‘the demographic potential... of the Far East is clearly insufficient for the development of the natural resources located there...’ especially in districts along the Amur region.” Frédéric Lasserre, “The Amur River border. Once a symbol of conflict, could it turn into a water resource stake?,“ \textit{Cybergeo: European Journal of Geography} (Enivornment, Nature, Paysage), article 242.
Reflecting these trends, the Chinese-Russian border demarcates the world’s steepest contrast in population density – officially, slightly more than six million Russian citizens live in the Far East, while the three Chinese provinces bordering Russia have a combined population of approximately 100 million.141 This situation (which preceded the post-1991 population decline in Russia, but was certainly exacerbated by it) enhanced the economic complimentarity of both sides and facilitated cross-border economic cooperation.142 Cross-border trade was resumed in 1983, starting on a barter basis.143 Quickly, new markets were established along the border. Food, light-industrial products and labor-intensive commodities from the Chinese side were particularly welcomed by the Russian residents. Chinese traders “run the gamut from chelnoki (individuals, often

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141 Maria Rephikova and Harley Balzer, “Chinese Migration to Russia: Missed Opportunities,” Eurasian Migration Papers Number 3 (Woodrow Wilson International Center for Scholars, 2009), 10.


143 It allowed both sides to conserve their reserves of hard currency. It was announced on 23 November 2010 that Russia and China have decided to use their own national for bilateral trade, instead of the US dollar.
traveling on tourist visas, who drag sacks of goods across the border) to wholesalers with highly developed commercial infrastructures.”144 Meanwhile, Russian raw materials, such as lumber and metals, were shipped across the border rivers and after being processed were further sold to the rest of China and other countries. The new market and materials processing industry provided considerable job opportunities to the redundant Chinese laborers in Manchuria. In addition, thousands of Chinese workers moved across the river and started to work on the Russian side as “guest laborers.”145 They worked primarily in construction, agriculture, and forestry and generally came to Russia under fixed contracts for specific periods of time.146 The cross-border economic cooperation re-injected vitality into the stagnant economies of both sides, particularly the Chinese one.

Notably, the development of trade and investment in the border area was greatly pressed ahead by the local business communities. For example, Manchurian local officials became upset at the slow progress of a bridge project between Heihe and Blagoveschensk, two cities that are located some 750 meters apart on opposite banks of the Amur River, and suggested they could finance it themselves in June 2001 (see Map

144 Maria Rephikova and Harley Balzer, “Chinese Migration to Russia: Missed Opportunities,” 16.

145 According to Chinese statistics, as early as in 1988-1993 China sent to 80,000 workers to Russia, and 65,000 of them from Heilongjiang Province. The share of Chinese labor in the total foreign labor in the Russian Far East has grown—from 9.1 percent in 1995 to 20.9 percent in 1998 in the Amur Region. Yet Chinese laborers rarely have the desire or networks to stay for long terms. They may return to Russia several times, but permanent settlement is unusual because the cost of living in Russia is much higher than that in China. As far as the Russian Far East is concerned, the estimated number of permanent Chinese residents has grown from 1,742 in 1989 to 15,000 in 1990, 100,000 in 1993, and 237,000 in 2001. According to the 2003 Russian census, the number of Chinese in Russia was more than three million, making them the fourth-largest ethnic group in the country. Victor Larin, “Chinese in the Russian Far East: Regional Views,” in Human Flows across National Borders in Northeast Asia Dunxu, Tsuneo Akaha and Anna Vassilieva ed., (United Nations University Press, 2005), 47-67; Maria Rephikova and Harley Balzer, “Chinese Migration to Russia: Missed Opportunities.”

146 Maria Rephikova and Harley Balzer, “Chinese Migration to Russia: Missed Opportunities.”
3.4)  Eventually, the Chinese government launched a construction project at the Chinese-Russian commercial port at Heihe in June 2005, with a total investment of 7 billion Chinese Yuan (approximate 846.4 million US dollars).

Map 3.4 The general location of Blagoveshchensk and Heihe

In addition to providing new jobs, the increasing economic importance of the disputed borderland also comes from its crucial position in the energy business between the two sides. On the one hand, China’s continuous rapid economic growth (see Figure 3.3) has created a staggering demand for energy supplies (oil, electricity and nuclear) and services. The GDP growth rate of China in the 1990s was about 9.5%, accompanied by low inflation; in the mid-1990s China became a net importer of oil and in 2002 China overtook Japan to become the second largest oil consumer in the world, behind the

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147 Frédéric Lasserre, “The Amur River border. Once a symbol of conflict, could it turn into a water resource stake?.”
148 Renmin Ribao [People’s Daily], May 26, 2005, 3.
United States. On the other hand, Russia was eagerly seeking markets for its rich energy resource deposits (particularly oil and natural gas) beyond its traditional European customers during the same period of time (i.e. the 1990s), in order to recover Russia’s economy that was damaged severely by the collapse of the Soviet Union and following Yeltsin’s “shock therapy” economic reform.

Figure 3.3 China’s Nominal Gross Domestic Product (GDP) from 1952 to 2005

Source: www.billcara.com/archives/2006/08/china_gdp_growt.html

As a result, this complementarity has made the energy sector a core of Russia-China economic cooperation since the late 1990s. The Trans-Siberian Railway which goes along the border, together with the Trans-Manchurian Railway, has been the prime transport of Russian energy supply (oil and coal) to China (see Map 3.5).\textsuperscript{150} In 1994, Russia proposed building a cross-border oil pipeline from Siberia to Manchuria, which officially started operations on 1 January 2011. The 65-kilometer cross-border pipeline

\textsuperscript{150} Oil imports from Russia by rail built up quickly – from 14,000 tons in 1999, to 4,000,000 tons in 2003, 6,000,000 tons in 2004 and 9,000,000 tons in 2005. Philip Andrews-Speed, “China’s Oil Import Strategies,” Center for Energy, Petroleum and Mineral Law and Policy, University of Dundee.
runs from Skovorodino, a Russian town in the far-eastern Amur region, enters China via Mohe, the Chinese border town in Heilongjiang province, and then ends at Daqing, China’s biggest crude producing and refining base. Compared to railway transportation, the cross-border pipeline is much more efficient and cost-saving, and thereby has improved China’s energy-imports structure. The growing cross-border energy transactions since the mid-1990s, either through railway or pipeline, have made the Chinese-Russian borderland more strategically important.

Last but not least, the water resources of the border rivers have become more and more valuable, particularly to China, because of the increasingly severe water scarcity in Manchuria and the North China plain. Moreover, the overexploitation of forests over the past three decades further accelerated the depletion of aquifers in the Manchurian region. At the same time, agriculture had been expanding extensively in Manchuria to boost

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production for the growing population and create employment for abundant laborers, usually with crops that require large amounts of water.\textsuperscript{152} Under this situation the water resources of Argun-Amur-Ussuri became more and more valuable and important for the daily life and economic development in Manchuria and the North China plain. The demand for damming the Amur tributaries and movement of water from the Amur basin to the North China plain were getting higher and higher.\textsuperscript{153} Resolving the border river disputes with the Russians consequently became more and more urgent—both the perceived (or subjective) value of fuller access to the territory, and the actual economic (or objective) value of cooperation over the border had increased significantly.

3.2.3 Military Value of Contested Territory

Traditionally, the military importance of the eastern Chinese-Russian frontier territory had come from its status as a buffer zone between these two big powers, and the security of the eastern frontier had long been of great importance to the idea of national integrity. Throughout Chinese history alien invaders often assaulted China from its northeastern frontier. During the imperial era, for example, the political dominance of Han Chinese in China proper was periodically challenged or conquered by the nomadic tribes (e.g. Xianbei, Khitan, Jurchen, Mongols and Manchus) from the north and

\textsuperscript{152} Frédéric Lasserre, “The Amur River border. Once a symbol of conflict, could it turn into a water resource stake?”

\textsuperscript{153} The government has so far opted for the derivation of Yangzi water up north.
northeast. And during the modern era the northeast frontier was repeatedly encroached upon by Russians.\footnote{As introduced in the background section, throughout the seventeenth century Russia strengthened its position in eastern Siberia, invaded and colonized the Far East; in the nineteenth century, Tsarist Russia further seized the vast territories at the Amur basin by imposing a series of treaties on the uncompetitive and corrupted Qing government; in the early twentieth century the USSR exceeded the bounds of these treaties and seized many islands in the Amur, Ussuri and Argun rivers; and shortly after the 1945 Yalta conference the Soviets entered into Manchuria, taking over the control from the Japanese puppet state of Manchukuo, and tried to keep their troops in Manchuria as long as possible.}

Besides being a buffer, the Argun-Amur-Ussuri river is also an alternative life-line to the Trans-Manchurian Railway. The rivers run through the nexus of Russia, Mongolia, China and Korea, one of the world’s great crossroads. Should war break out, the Argun-Amur-Ussuri could be used to transport troops and supplies, and the abundant agricultural and mineral resources of the Amur basin might be utilized by Chinese or other military forces.

\textbf{3.2.4 Change in the Military Value}

\textbf{Figure 3.4 the Evolution of the Military Value of the Contested Frontier (1950-2010)}

<table>
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<th>Military Value:</th>
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<tbody>
<tr>
<td>50</td>
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<tr>
<td>60</td>
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<tr>
<td>70</td>
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<td>80</td>
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<tr>
<td>90</td>
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<td>00</td>
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<tr>
<td>10</td>
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</tbody>
</table>

50’Chi-SU Alliance 66’SU-Mong Encirclement 86’SU↓ 91’SU↓ 96’ “Strategic Partnership”

On 30 June 1949 Mao Zedong issued the “lean-to-one-side” policy that served not only as an assurance of China’s adhering to the ‘anti-imperialist alliance,’ but also as collateral for Soviet aid.\footnote{Calvin Suey Keu Chin, \textit{A Study of Chinese Dependence Upon The Soviet Union For Economic Development} (Union Research Institute, 1967): 22. Mao stated that “Externally, unite in a common struggle with those nations of the world which treat us as equal and unite with the peoples of all countries. That is, ally ourselves with the Soviet Union, with the People’s Democratic countries, and with the proletariat and} 85
Soviet Treaty of Friendship, Alliance, and Mutual Assistance, was signed in Moscow. According to this treaty, the Soviet Union provided China with military support to secure the new nation and financial and technical aid for rehabilitating China’s war-torn economy. As a return, the Soviet Union not only maintained its privileges in Chinese Manchuria, such as the continued use of the naval base at Dalian (the only ice-free port in the region) and Lushun, but was guaranteed utilization of the Trans-Manchurian Railway, which linked the Russian Transbaikal region to its maritime provinces (such as Vladivostok, the main naval base of the Soviet Pacific Fleet) and to the port of Dalian (see Map 3.7). With the making of the Chinese-Soviet alliance, Chinese leadership believed that new China occupied a more powerful position in an insecure world.\textsuperscript{156} Zhou Enlai, then Chinese Premier, stated that “Chinese people feel that they are no longer isolated… [To the contrary], they are now much stronger than ever before.”\textsuperscript{157}


The Korean War broke out on 25 June 1950. Within seventy-two hours, the United States decided to intervene. Four months later, as U.N. forces were rapidly advancing toward the Chinese-North Korean border, China entered the war to “resist America and assist North Korea.” Mao stressed in the telegram to Moscow: “We recognize this step as necessary because if we allow the United States to occupy all of Korea, the revolutionary strength of Korea will suffer a fundamental defeat. We will then see the American invaders more rampant, and this will have negative effects for the whole Far East.”

Although the Soviet Union did not enter the war directly, it supplied China with military equipment and materials to the value (according to U.S. estimates) of 2 billion dollars. The supply of Soviet aircraft, including about 1,000 Mig-15s, was particularly helpful for strengthening the military capabilities of Chinese

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159 That Soviet Union refused to enter the Korean War sowed a seed for the future split between China and the Soviet Union. Chen Jian, “The Sino-Soviet Alliance and China’s Entry into the Korean War.”
troops.\(^{160}\) Soviet equipment and technical support to the Chinese army continued after the armistice of July 27, 1953. Thus the alliance between China and the U.S.S.R., solidified by Soviet military aid to China, reduced the security pressure along the Chinese-Soviet borderlands throughout the 1950s.

Unfortunately, the close partnership between China and the Soviet Union did not last long. The roots of Chinese-Soviet ideological divergence were established in the late 1950s, but the collision of the two countries did not become open, direct and formal until the Soviet Premier Khrushchev insulted Chinese Chairman Mao Zedong as “a nationalist, an adventurist, and a deviationist,” and Chinese delegates criticized Khrushchev as “a Marxist revisionist” at the international Conference of Communist Parties in Bucharest in 1960. Still, what most significantly led to the increase of the military importance of the borderlands was the Soviet-Mongolian military encirclement of China.

In July 1963 the Soviet Union and Mongolia signed a secret defense agreement that included the Soviets helping Mongolia strengthen the southern boundary; and on 15 January 1966 the “Soviet-Mongolian Friendship, Cooperation and Mutual Assistance Agreement” was also signed. These agreements allowed the Soviet Union to deploy troops along an additional 2,000 kilometers of China’s northern frontier.\(^{161}\) Quickly, Soviet troop in Mongolia increased to six divisions by 1968 and ten by 1969. Northern China was encircled by the joint Soviet-Mongolian military forces. The Soviets also installed an anti-ballistic missile system directed against China, blockaded Chinese


\(^{161}\) Fravel, *Strong Borders, Secure Nation*, 204.
vessels passing through the confluence of the Amur and the Ussuri with gunboats, and secretly and publicly announced that they would use all necessary measures to defend its frontiers, including a pre-emptive nuclear strike against Chinese nuclear installations.\textsuperscript{162} Deng Xiaoping later emphasized that “In the 1960s the Soviet Union strengthened its military presence all along the borders between China and the Soviet Union and Mongolia. The number of missiles was increased to one third of the Soviet Union’s total, and troops were increased to one million, including those sent to Mongolia. Where was the threat coming from? Naturally, China drew its conclusions.”\textsuperscript{163} For Beijing, the northern frontier protected not only Manchuria, China’s industrial heartland, but also the Daqing oilfield, China’s biggest oilfield.\textsuperscript{164} Accordingly, when Moscow transferred forces from Eastern Europe to the Soviet Far East and Mongolia, more Chinese troops were sent to the northeastern frontier from China proper.

It is notable that the contested borderlands were more valuable for China’s offensive strategy than its defensive one, and this may have been what prompted the Soviets to act first for military reasons. For a long period, Soviet military capability had been much higher than that of China (see Figure 3.5). If the Soviets had used long and medium-range bombers and missiles to attack, China would have not been able to defend itself well even if it had the control of the borderlands. However, most of the Soviet Far 

\begin{itemize}
\item \textsuperscript{164} Daqing oilfield was discovered in Heilongjiang province 1959 and started to produce oil in 1960. Daqing oilfield released China from relying on Soviet oil and played a crucial role on energy supply during the period of China-Soviet friction. It was a symbol of industrialization and self-reliance in the country for most of the postwar period.
\end{itemize}
East, except the southernmost areas near the border rivers, is covered by either permafrost or hundreds of miles of almost impassable mountains, so the vital transportation lines in the Soviet Far East (the Trans-Siberian Railway and the Baikal-Amur Mainline) run along the border river and the Soviet inhabitants in the region are concentrated in the border cities (such as Khabarovsk and Vladivostok). Consequently, if Chinese forces held the contested borderlands, they could use them as gateways to penetrate into the opponent’s key locations, put pressure on Soviet supply lines and thereby gain great strategic advantage. Thus, the military salience of the disputed Chinese-Soviet borderlands was growing significantly as the Soviets tightened its military encirclement of China. According to Beijing’s official statement, over 100,000 demobilized soldiers had already been settled along the Amur, Ussuri, and Sungari rivers by 1963. These troops could be moved east to the Ussuri River, west to Mongolia, north to the Amur River, and south to the capital, Beijing.

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165 This was also why Moscow stationed most of the frontier forces on the south side of the Trans-Siberian Railway and rejected Beijing’s proposal in the later border negotiations, which suggested both sides should withdraw their troops from the disputed areas and move them back to 300km from the border. By contrast, the majority of Chinese inhabitants were located in central and southern Manchuria and only a sparse populace lived along the border rivers. Withdrawing troops to within 300 km would leave the forces closer to the more developed areas of Manchuria. In case of war, the inhabitants along the borders could retreat to the southern area and more military forces could be transferred quickly to the frontier from the Shenyang and Beijing military regions. See recent declassified document, Transcript of 31 May 1983, TskhSD, F. 89, Op. 43. D.53, L.1.1-14, in Cold War International History Project Bulletin 4 (Fall 1994): 77-81.

166 Xinhua News Agency dispatch, 1st August 1963.
### Figure 3.5 Comparison of Military Power (1971-1972)

<table>
<thead>
<tr>
<th></th>
<th>The Soviet Union</th>
<th>Communist China</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total defense expenditure</td>
<td>$55 billion</td>
<td>$8.5 billion</td>
</tr>
<tr>
<td>Intercontinental ballistic missiles</td>
<td>1,510</td>
<td>None</td>
</tr>
<tr>
<td>Submarine-launched ballistic missiles</td>
<td>400</td>
<td>None</td>
</tr>
<tr>
<td>Long-range bombers</td>
<td>200</td>
<td>None</td>
</tr>
<tr>
<td>Medium-range bombers</td>
<td>700</td>
<td>200</td>
</tr>
<tr>
<td>Medium and intermediate-range</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ballistic missiles</td>
<td>700</td>
<td>20</td>
</tr>
<tr>
<td>Army</td>
<td>2 million</td>
<td>2.5 million</td>
</tr>
<tr>
<td>Nuclear-powered submarines</td>
<td>80</td>
<td>None</td>
</tr>
<tr>
<td>Tactical air force</td>
<td>270</td>
<td>35</td>
</tr>
<tr>
<td>Transport air force</td>
<td>1,700</td>
<td>200</td>
</tr>
</tbody>
</table>


Following the March clashes in 1969, the tension along the Chinese northern borders remained high throughout the 1970s. Before the end of 1972 the Soviet effort focused on deploying additional forces along the Chinese-Soviet and Chinese-Mongolian frontiers; afterwards the focus shifted to updating these forces and consolidating the existing divisions. On the Chinese side of the frontiers, a nationwide program of war preparations was launched directly. Beijing rapidly redeployed its military forces to cope with its re-designation of the Soviet Union (instead of the United States) as its primary enemy, calling the former “the most dangerous source of war.”

Forces were shifted north from primarily the Nanjing and Guangdong military regions to the Beijing and Shenyang military regions.

Since the mid-1980s, however, the military value of the Chinese-Russian borderlands has decreased for two main reasons. First, as China has significantly improved its military capability, especially the capability of projecting power throughout

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the Far East and beyond, the military importance of the borderlands has declined. China started building its own medium- and long-range combat weapons as early as 1950, initially with Soviet assistance and then by themselves after the Chinese-Soviet rift. In 1980 China successfully operated intercontinental missiles (DF-5), thereby becoming the third country (after the United States and Soviet Union) to have intercontinental missiles. Medium-range bombers (H-6, JH-7, SH-5) began to enter service in China in the late 1980s. These advanced weapons have greatly strengthened China’s offensive capabilities. In case of war between China and Russia these weapons would allow Chinese forces to attack Russian defensive targets from the Chinese side of the border. Consequently, the strategic importance of the major border islands (e.g. Heixiazi and Zhenbao), which had for long been regarded as the gateways to either side, declined.

Another factor that led to the decrease of the frontier’s military value was the improved Chinese-Soviet/Russian bilateral relationship. The Soviet position on Chinese-Soviet relations showed greater flexibility in 1986 with Gorbachev’s July speech at Vladivostok, in which Gorbachev announced Moscow’s reversal of policy, a cooperative strategy for the unsolved Chinese-Soviet disputes and future Soviet policies in the Asia-Pacific region. Beijing responded to Soviet flexibility promptly and positively. Progress was first made in less controversial areas of state-to-state relations, such as bilateral trade and investment, cultural and scientific exchange, and economic and technological cooperation. In May 1989, China and the Soviet Union normalized relations during Gorbachev’s visit to Beijing amid the Tiananmen demonstrations.


169 The series of ballistic missiles that China has operated are named Dongfeng (DF missiles).
With the disintegration of the Soviet Union in 1991, security pressure along China’s northern borders further declined. The diplomatic relations between China and Russia continued improving. Bilateral summit meetings were held regularly and bilateral cooperation became more comprehensive. Particularly, in April 1996 the two governments announced formation of a “strategic partnership” and established the mutual-security organization, the Shanghai Five (the predecessor of the Shanghai Cooperation Organization). As the bilateral relationship improved, the possibility of border war declined and the military importance of the borderlands decreased as well.

3.2.5 Symbolic Value of Contested Territory

Traditionally, China’s realm was conceived as being composed of China proper and Outer China. China proper is the cultural heart of China and the core of the Han Chinese settlement. Outer China is composed of buffer territories (including Manchuria, Xinjiang, Tibet and Inner Mongolia), which were ruled indirectly from China proper and inhabited mostly by some of the non-Han peoples (Manchus in Manchuria, Uyghurs in Xinjiang, Tibetans in Tibet and Mongolians in Mongolia). The majority of Chinese, i.e. the Hans, see Manchuria, together with Inner Mongolia, Xinjiang and Tibet, as the peripheries, which envelop China proper to the north, west and southwest. Thus, there has traditionally been little symbolic value attached to these lands.

170 There are totally 56 ethnic groups in China, and the Han Chinese currently constitute about 92% of the population and are the majority in every province, except Xinjiang and Tibet.

Before the late 19th century only Manchus were allowed to live in Manchuria. The ancestors of the Manchus were generally pastoral people, hunting, fishing and engaging in limited agriculture and pig-farming around the Amur River. In 1644, the Manchus took over Beijing, overthrowing the Ming Dynasty and soon established the Qing Empire which ruled over all of China for about three centuries (1644–1912). The Qing leaders explicitly associated Manchu identity with Manchu space by espousing the idea not only that Manchuria was different from Chinese territory, and that Manchuria was a Manchu place, but that it should be reserved exclusively for Manchus.\textsuperscript{172} Han settlement in Manchuria was banned and Han Chinese had to acquire special permission from the Board of War to enter this area.\textsuperscript{173} Although the legal ban on Han immigration into Manchuria could not really effectively prohibit the influx of Han peasants hungry for fertile land, its mere existence served to confirm the notion that “the Northeast was a frontier—a liminal region separate from China, governed by Manchus only, home to a small, but distinct indigenous population, and subject to separate rules. It was this same peripheral status, of course, that facilitated Russian occupation of Manchuria’s northernmost stretches in the later nineteenth century.”\textsuperscript{174}

When Russian power expanded down to the Amur basin in the late 19th century, the Qing leaders lifted the legal prohibitions on Han Chinese migration and opened Manchuria for farming, in order to strengthen the defense and economy of Manchuria and


\textsuperscript{173} Mark C. Elliott, “The Limits of Tartary: Manchuria in Imperial and National Geographies,” 618.

\textsuperscript{174} Ibid, 619.
check Russia’s further advance.\textsuperscript{175} Subsequently, millions of poor Han peasants rushed to Manchuria from China proper between 1890s and 1940s, who suffered the hardship - frequent famine, drought, war, and floods - in their home regions (Shandong province and Hebei province in particular) and became the new major residents of Manchuria.\textsuperscript{176} By 1950, the majority of the population in Manchuria had already been Han Chinese. As migrants or the offspring of migrants, the Han residents in Manchuria did not hold a strong homeland feeling to this piece of land.\textsuperscript{177}

### 3.2.6 Change in the Symbolic Value

**Figure 3.6 the Evolution of the Symbolic Value of the Contested Frontier (1950-2010)**

As the Chinese-Soviet split became public in the early 1960s, however, the symbolic significance of the contested territories started to increase. First, Beijing declared that the historical border treaties, signed between Tsarist Russia and Qing

\textsuperscript{175} By 1907 all the legal prohibitions to Han immigration had been lifted.

\textsuperscript{176} This migration was one of the world’s largest population movements in the early twentieth century. With an average annual flow of 500,000 people and a total net population transfer of over 8 million, the migration was comparable in size to the westward movement in the United States between 1880 and 1950. Thomas R. Gottschang, “Economic Change, Disasters, and Migration: The Historical Case of Manchuria,” *Economic Development and Cultural Change* 35, no. 3 (Apr., 1987): 461-490.

\textsuperscript{177} In fact, the early migrants were unwilling to stay there forever and tended to return eventually to their home town in Shandong or Hebei. “At least 70% of the migrants were unaccompanied men in their 20s and 30s, who left their families only temporarily, in effect behaving as long-term commuters... The majority worked in Manchuria for several years, remitting as much of their earnings as possible to their families, then eventually returned to their homes in North China.” Gottschang, “Economic Change, Disasters, and Migration: The Historical Case of Manchuria,” 461-462.
Dynasty China, were “unequal” and the present border alignment was “unjust.” Mao publicly stated that China had yet to settle its account over territory ceded to tsarist Russia and border conflicts were a continuing struggle that was unequal from the start. When Khrushchev refused to recognize the “unequal” status of the treaties and did not agree to negotiate a new treaty in 1964, the Chinese leadership branded the Soviets “new Tsars” and stressed that the border contest was not simply a territorial issue, but one important part of the fight against Soviet social imperialism. Large-scale anti-Soviet protests were held outside of the Soviet embassy in Beijing in 1966 and 1967. The Chinese official media regularly produced propaganda films or booklets on Chinese civilian resistance to Soviet violations of China’s “sacred territories” (e.g. “Down with the New Tsars” and “Zhenbao Island will not be encroached upon”). That Mao perceived an increasing symbolic significance of disputed borderlands in the late 1960s was underlined by a 1970 secret CIA report as follows:

More and more, the worthless piece of river land assumed a symbolic importance for Mao and, characteristically, his commitment to retain the right to patrol became emotional. Mao’s personal commitment was suggested by the tenacity of the subsequent effort to hold Chen Pao [Zhenbao/Damansky Island]. More specifically, his own involvement was reflected in his ‘instruction’ warning the local Soviet commander to withdraw and in the unusual personal praise he gave a Chen Pao ‘hero’ at the party congress.


179 The name of the hero is Sun Yuguo. He was one of the main participants of the clash at the Zhenbao Island. When Sun gave a report on the Zhanbao clash at the party congress, Mao stood up from his seat twice and applauded emotionally for Sun. “The Evolution of Soviet Policy in the Sino-Soviet Border Dispute,” the CIA of United States, written in 1970 and released in 2007.
On the other side of the border, Moscow also managed to add more weight on the symbolic value of the contested borderlands through intensifying radio and newspaper propaganda and remediing “errors” in textbooks, maps and other relevant publications. For example, the Soviet leadership and Moscow press repeatedly quoted Lenin’s statement: “Vladivostok is far away – but it is ours.”\textsuperscript{180} And one confidential resolution that the Soviet Central Committee issued on 8 June 1964 stated that recently published textbooks, maps and research works gave inaccurate commentary and description regarding the Chinese-Russian treaties signed during the seventeenth and twentieth century, wrongly marked the borderlines between the Soviet Union and China, and exaggerated Chinese influence on local ethnic culture in the Far East and central Asia. All of these “errors” must be fixed. In another confidential resolution issued on 24 September 1969, the Soviet Central Committee more specifically ordered its bureaucracies to publish more materials that could support Soviet claims of the borderlands by showing the cultural connection between Russians and the Amur indigenous peoples and emphasizing the historical contributions that Russians had made to the civilization of the Far East.\textsuperscript{181}

Throughout the 1970s both Beijing and Moscow took measures to strengthen their connection with the inhabitants along the Chinese-Soviet frontiers and reinforce the loyalty of minority inhabitants to the central government. They increased investment on the local economy and infrastructural projects on the borderlands. For example, the

\textsuperscript{180} Tai Sung An, \textit{The Sino-Soviet Territorial Dispute}, 117.

Soviets embarked on an extensive “island reclamation” project in the Amur and Ussuri rivers in 1970 and began to build collective farms on the islands of the border rivers, which were uninhabited or sparsely inhabited before the Zhenbao clashes. In 1974 the Soviets started to build the Baikal-Amur Mainline (BAM), which was the second rail connection from the decision-making centers in European Russia to the Asia-Pacific region and a strategic alternative route to the Trans-Siberian Railway.\textsuperscript{182}

To increase the population of the majority ethnic group in the borderlands, Beijing had a significant number of Han Chinese transferred from China proper to these sensitive regions. For example, the Heilongjiang Production and Construction Corps were set up and sent to the northeast in 1965. By 1969, the Corps workers had reached 600,000 who were mostly the “sent-down youth.”\textsuperscript{183} Moscow in turn awarded Soviet citizens who were willing to move to the frontier regions with extra subsidies. Both governments also exerted great effort to emphasize its historical ownerships over the disputed borderlands. For example, Moscow changed many frontier villages’ names in order to make the names sound more Slavic. Beijing set up special archaeological groups to collect evidence to support China’s territorial claim and prove that the disputed areas had historically been part of Chinese territory. On 18 June 1981, \textit{Renmin Ribao} published a long article to

\textsuperscript{182} The BAM runs about 380-480 miles north of and parallel to the Trans-Siberian Railway. The costs (both financial and human) of building the BAM were huge, since much of it was built over permafrost with severe terrain and weather.

\textsuperscript{183} From July 1968 to May 1969, more than 500,000 high school and junior high school students had joined the Corps, to respond to Chairman Mao’s order that the educated youth must go to the rural areas and receive the re-education from the peasants. “Reveal Heilongjiang Production and Construction Corps [Jiemi Heilongjiang Jianshe Bingtuan],” \textit{China News}, 14 May 2013, www.chinanews.com/mil/2013/05-14/4816035.shtml.
denounce Soviet social imperialism and chauvinism as the crux of border disputes.\textsuperscript{184} The frontier disputes with the Soviets were regarded as a symbolic ingredient in China’s anti-social imperialism struggle.

Another increase in symbolic value of the contested borderlands occurred in the early 1990s due to growing Chinese nationalism. Chinese nationalism rose quickly after the 1989 Tiananmen Incident. In order to regain popular support Beijing mounted a patriotic education campaign and shifted its basis of legitimacy from a bankrupt ideology to nationalism.\textsuperscript{185} Meanwhile, the West’s post-Tiananmen sanctions turned many Chinese people’s pride in their remarkable progress in the years of economic reform into a hatred or indignation against the United States and its allies. The new Chinese nationalism of the 1990s was thus a volatile mixture of memories of past humiliation, a sense of being presently thwarted from achieving greatness, and an irredentist resolve to claim lost territories.\textsuperscript{186} This rising nationalism stimulated irredentism among Chinese people and nationalist sentiments toward territorial issues.

And yet, although recent irredentist nationalism spurred great public energy towards certain of China’s territorial disputes, Chinese public attention toward the Chinese-Russian border disputes was limited. This was mainly because China’s government by the late eighties purposely downplayed the symbolic significance of the territories that China lost to the Russians. When Deng Xiaoping met Mikhail Gorbachev


\textsuperscript{186} Maria Hsia Chang, “Chinese Irredentist Nationalism: The Magician’s Last Trick.”
in Beijing on 16 May 1989, he clearly stated that “the purpose of our meeting is to put the past behind us and open up a new era. By putting the past behind us I mean ceasing to talk about it and focusing on the future.” And the principle of “putting the past behind us” was indeed observed in the following new round of border negotiations. Meanwhile, reports on the Chinese-Russian negotiation process given by the Chinese public media were limited and unnoticeable. For example, only eleven reports in total on the border negotiations could be found in the *Renmin Ribao* [People’s Daily] database (1992 – 2005). These reports were generally very short – briefly introducing when and where the talks were held – and gave no specific explanation of the negotiation content. More importantly, these reports no longer mentioned the 19th century Chinese-Russian treaties or labeled them with the tag of “unequal treaties”; instead, they highlighted international law and norms on the resolution of interstate territorial disputes, as well as the significant economic benefits that a peaceful settlement could bring to two nations.

### 3.3 China’s Territorial Policy

**Figure 3.7 the Evolution of Chinese Policy toward the Contested Territory (1950-2010)**

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187 Deng Xiaoping, “Let’s Put the Past behind Us and Open up a New Era.”

In the first decade after the establishment of Communist China, both Beijing and Moscow let the lingering border issue lie, and adopted a cooperative policy over their frontiers. As discussed earlier, at this time Chinese officials recognized that the boundary line on the map that Moscow attached to the Treaty of Beijing was not consistent with the wording of the treaty. However, facing the discrepancy between the map and the wording of the Beijing Treaty, Beijing let matters slide and for the moment accepted the territorial *status quo* along the border with the Soviet Union. It not only accepted Russian control of the border rivers and their islands,\(^\text{189}\) but tried to suppress any complaints from the Chinese populace about the Chinese-Soviet territorial matter. For example, some authors were severely castigated when they complained about tsarist seizures of Chinese territory during the 1957 “Hundred Flowers Campaign.”\(^\text{190}\)

On the other side of the border, Moscow adopted a flexible policy towards this frontier issue as well. Moscow allowed Chinese border residents to use river islands for economic purposes (e.g. haying, fishing, and logging) and to drive livestock across

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\(^{189}\) According to the Chinese-Soviet Border Rivers Navigation Agreement that Beijing signed in 1951, the Soviets controlled the border rivers and more than 600 of 700 islands, and China had to obtain Soviet permission before using the rivers and islands. Ostermann, Christian F. “Eastern German Documents on the Sino-Soviet Border Conflict, 1969.” *Cold War International History Project Bulletin*, Iss. 6-7 (winter 1995/6): 186.

\(^{190}\) Ibid, 238. The “Hundred Flowers Campaign” was the first political movements in the history of the Communist China, during which the Communist Party encouraged a variety of views and solutions to national policy issues, launched under the slogan “Letting a hundred flowers blossom and a hundred schools of thought contend is the policy for promoting progress in the arts and the sciences and a flourishing socialist culture in our land.” It publically began in late 1956 and quickly became out of control. The Chinese Communist Party cracked it down by forcing confessions, sending outspoken students to labor camps, and imprisoning many more.
Russian territory from one point in China to another. Also, Moscow signaled that it might waive the claim to possession of the full breadth of the border rivers:

“A Sino-Soviet agreement on river navigation signed in January 1951 took it as given that the boundary line lay within the mainstream. The agreements specified that citizens of each country were to enjoy rights of navigation and fishing on the boundary rivers ‘within [their country’s] waters up to the state border line.’ If the boundary were taken to run where the water lapped the Chinese bank then Chinese citizens would have no ‘waters’ at all for navigation or fishing, nor access to any river island. The wording of the agreement therefore implies a boundary line within the mainstream.”

Thus, in the honeymoon period of the Chinese-Soviet relationship Beijing and Moscow both engaged in cooperative development of the Argun-Amur-Ussuri region. The Amur River became the “River of Friendship” and Chinese and Soviet boats traded across the Argun, Amur, and Ussuri rivers. A number of treaties and agreements on joint development and study were also signed by the two parties in the friendly 1950s. Examples include the Soviet-Chinese agreement on navigation along the Amur, Ussuri, Argun, and Sungari river and on Lake Khanka that was signed in 1951; the Sino-Soviet agreement on joint investigation and comprehensive utilization of natural resources in the Amur valley announced on August 19, 1956; new friendly agreements on commercial navigation and shipping on border rivers and lakes signed on December 21, 1957 and

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192 Neville Maxwell, “How the Sino-Russian Boundary Conflict was Finally Settled,” footnote 13.

193 The plan provided for the building of a 13-million-kilowatt system of hydroelectric power, the industrial development of the area, and a new outlet for the Amur River. See Keesing’s Research Report *The Sino-Soviet Dispute*, 1969, 22.
April 23, 1958; and the plan for shipping and waterway maintenance along the Amur River agreed to in 1959.

The calm along the Sino-Russian frontier did not last very long, however, and during the 1960s China’s approach to the border issue became more and more aggressive in response to changing circumstances. Beijing officially proposed resolving the border issue—urging negotiations and a revision of the frontier—in 1963. In 1965 Beijing began to increase stationed troops on the frontier and to support border confrontation. And by the end of the decade, an outright bloody confrontation broke out between Chinese and Russians on Zhenbao Island. Why did China’s policy escalate over this period?

First, in response to Khrushchev’s criticism of the Chinese government’s reluctance to exclude Western powers from Hong Kong and Macao, Beijing published a long editorial on March 8, 1963. In this editorial Beijing listed nine treaties that earlier Chinese governments had been forced to sign, including the Treaties of Aigun and Beijing, and inquired “In raising questions of this kind do you intend to raise all the

194 The agreement aimed at simplifying the rules governing commercial navigation and shipping on border rivers and lakes, provided for the full reciprocal navigation rights of the two countries in border areas, and restrictions on movement of crew and passengers were kept to a minimum. No restriction was placed on carrying weapons or on using radio or radar.

195 Thomas Robison argues that the 1958 treaty “represents the closest the two powers have come to specific contractual border arrangements.” He explains that “This treaty does not mention boundary settlement per se, and merely grants each state’s vessels and products most-favored-nation status while in the territory of the other. But throughout it refers to the ‘territory of the other party,’ and the parties would be expected to have reached accord on the location of boundaries in order to have agreed on shipping and navigation practices.” See Thomas W. Robison’s “The Sino-Soviet Border Dispute: Background, Development, and the March 1969 Clashes” in The American Political Science Review, Vol. 66, No. 4 (Dec., 1972): 1972-73.

196 On Dec. 12, 1962, Khrushchev criticized China’s attitude towards Macao and Hong Kong to defend his policy during the Cuban crisis. He contrasted the expulsion of the Portuguese from Goa by India with the Chinese Government’s omission to take similar action against Macao and Hong Kong and declared that “The odor coming from these places is by no means sweeter than that which was released by colonialism in Goa. But no one will denounce China for leaving these fragments of colonialism intact.” See Keesing’s research report The Sino-Soviet Dispute, 10.
questions of unequal treaties and invite a general settlement? Has it ever entered your heads what the consequences will be?”\textsuperscript{197} This comment was interpreted as a suggestion that China reserved the right to demand the return of these territories of the frontier; and this point was further confirmed by Mao’s statement four months later. In a meeting with visiting Japanese Socialist Party members on July 10, 1963, Mao stated: “About one hundred years ago, they [the Russians] incorporated the territory to the east of Baikal and since then Vladivostok, Khabarovsk, Kamchatka, and other areas have been Soviet territory. Those accounts are difficult to settle and we have not yet settled this account with them.”\textsuperscript{198} Despite the unequal treaty claim, Beijing was willing to take these treaties (mainly the Treaty of Aigun and Treaty of Beijing) as the basis for boundary determination and revision. Secret negotiations were held on 8 February 1964 in Beijing.

After six months of hard debate the Soviets agreed to accept the Thalweg principle, but refused to relinquish control over most of the 700 islands in the frontier rivers (including the Heixiazi Island) or declare the existing treaties invalid. Negotiation consequently fell into stalemate and when Mao publicized the controversy and accused the Soviets of “imperialism,” Khrushchev withdrew the Soviet negotiating team. This raised the border dispute to a new level of hostility.

The Chinese then deployed between 50 and 60 divisions, or more than 600,000 men, in the Manchurian region, while the Soviets doubled their number of troops stationed along the frontier in less than four years (from 14 divisions in 1965 to 34


divisions in 1969).\textsuperscript{199} In the early 1960s, although border violations by civilians were quite common, neither side aggressively patrolled the frontier. After the failed 1964 talks, however, both sides adopted an assertive, forward-patrolling posture in disputed areas, especially on the islands in the Amur and Ussuri river. As the direct result of these aggressive policies, physical conflict along the frontiers escalated and became ever more frequent and intense.\textsuperscript{200} Finally, brutal military clashes between China and the Soviet Union broke out on the Zhenbao Island (known as Damansky Island to the Russians) in March 1969.\textsuperscript{201}

Beijing and Moscow gave diametrically opposite accounts of the clashes in March 1969 and denounced the opponent for laying an ambush and firing first.\textsuperscript{202} Considering the high tension on the Chinese-Soviet borders and the frequent and escalating border

\textsuperscript{199} Fravel, \textit{Strong Borders, Secure Nation}, 204.

\textsuperscript{200} Beijing claimed that a total of 4189 border incidents had occurred between 1964 and 1969 alone.

\textsuperscript{201} Zhenbao Island is about 1.5 miles long by 0.5 mile wide. It lies within the Chinese half of the Ussuri river. It is under water during the spring overflow and can be reached on foot from the Chinese shore during low water in late summer.

\textsuperscript{202} According to the Chinese version, about 30 Chinese frontier guards were conducting the normal patrol duty on the ice near to Zhenbao Island when a large Soviet force, accompanied by four armed vehicles, linked arms to prevent them passing. An altercation took place between these two groups. When the Chinese guards turned around and started to walk back towards the Chinese bank, the Soviets opened fire on them from the back without warning and killed and wounded many of them. The Soviet soldiers, on the other hand, stated that they fell into an ambush laid by the Chinese and 31 of them were killed during the battle. About 300 Chinese troops (a mixed groups of frontier guards and regular PLA soldiers) dressed in white camouflage crossed the ice from the Chinese bank to Zhenbao island on the night of March 1-2 and lay on the island for the night. The next morning when the Soviets intercepted the 30 Chinese guards and exhorted or forced them to return to Chinese bank as they had several times previously, one of the Chinese guard suddenly raised his arm to signal the ambush, lying to the Soviets’ right. Immediately, both the 30 Chinese guards and the 300 Chinese in ambush opened fire to the Soviets. The Soviets further stated that this historical moment was caught by a Soviet military photographer, Nikolai Petrov; Nikolai Petrov managed to take three photos several minutes before he was killed in the clash and one of the photos shows that some Chinese border guards were scattering with one of them raising his arm. These photos are shown in a Russian documentary film “Damansky Island: Year 1969.” This video was made by “Galakon” Film Studio (Moscow) in 2004 and can be found at http://video.google.com/videoplay?docid=-2590881693450507383#. See the English summarized transcript of the documentary at http://en.wikipedia.org/wiki/Damansky_Island_Year_1969.
incidents in the late 1960s, neither of these battles was a surprise. The Zhenbao battles became the peak of the escalating border incidents and the direct result of the aggressive strategies adopted by the two sides in the 1960s. No further infantry battles occurred after the March 15 battle, even though rounds of artillery fire and counter fire were opened in several sectors along the Sino-Soviet borders.

After the Zhenbao clashes, Moscow and Beijing avoided full scale war and cautiously adopted a delaying strategy toward the frontier issue and maintained the territorial status quo. First, although both sides increased military concentrations along the frontiers and made defensive preparations for war, they in fact acted very carefully to avoid any further military conflicts. Putting more troops at the border was more a symbolic move than an actual escalation; through this move both sides intentionally reemphasize their attitude to the contested territory rather than really seek to break the territorial status quo. Second, although both sides regularly engaged in negotiations from 1969 and 1978, they were unwilling to make any compromise to facilitate the resolution of the frontier disputes (See Figure 3.8 and 3.9). Beijing and Moscow regarded prolonging border negotiations as tactically useful even if no progress was expected.

203 More fighting occurred on Zhenbao Island on March 15, 1969. In contrast to the battle of March 2, that of March 15 was on a much larger scale and lasted longer, and consequently led to higher losses. It is also unclear who began the battle on the 15th since the two sides again gave contradictory accounts, whereas preparations of both sides were apparently much more complete.

204 An analogy of this situation is the nuclear arms race between two superpowers during the Cold War – both the United States and the Soviet Union kept building their nuclear capabilities, even though at a certain point each country already had enough weapons to blow up the entire world.
Thus, the 1970s did not bring any essential shifts in the negotiating process although discussions on the frontier question proceeded. The negotiations became a formal and even ritual procedure for neither the Soviet nor the Chinese diplomats made concessions and, at the same time, did not interrupt their own participation in the discussions. Such a situation lasted for one decade until China suspended the negotiations following the Soviet invasion of Afghanistan in 1979. Beijing subsequently raised “Three Preconditions” for resuming negotiations and normalizing the bilateral relationship: the withdrawal of Soviet troops from Afghanistan, the removal of Soviet support for Vietnam’s invasion of Cambodia, and the withdrawal of Soviet troops from the Chinese-Soviet border and Mongolia. However, Moscow called these preconditions “third country
issues” and argued that improved relations between the Soviet Union and China could not be achieved at the expense of third countries, in this case Vietnam and Mongolia. As a result, the Chinese-Soviet frontier disputes remained in deadlock without achieving any substantial progress, until the Soviet side first gave up the delaying strategy to pursue cooperation with the Chinese in the second half of the 1980s.

The Soviet Union’s policy to China started to show some flexibility after Mikhail Gorbachev took office in 1985. For example, Moscow put pressure on Vietnam to endorse an improved Chinese-Soviet relationship in mid-1985, and sent Vice Foreign Minister Mikhail Kapitsa on a special mission to Beijing on the Geneva summit talks between the United States and the Soviet Union in December 1985.206 A greater flexibility was shown in Gorbachev’s notable Vladivostok speech in 1986, which heralded a significant turning point in the Soviet Asian policy. In this speech Gorbachev made several concrete proposals regarding the Soviet Union’s relations with China: withdrawal of “a substantial part” of the Soviet troops in Mongolia; preparedness to discuss with China “concrete steps aimed at the commensurate lowering of the level of land force;” withdrawal of six regiments from Afghanistan “before the end of 1986”; readjustment of the Sino-Soviet border on the Amur River to “pass along the main ship channel.”207 This speech not only signaled that the Soviet Union would accept the thalweg principle but also indicated that the Soviet Union was willing to make

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concessions on two of three preconditions for resuming the border talks that China had raised earlier.208

These positive signals were well received by Chinese leaders. Quickly, Beijing made both subtle and obvious compromises to facilitate the normalization of the Chinese-Soviet relationship and move towards the settlement of Chinese-Soviet frontier disputes. For example, Hu Yaobang downplayed the significance of the “Three Preconditions” by suggesting to journalists that he did not have a clear idea of what they were.209 At the same time Deng Xiaoping suggested that compliance on only one of the three preconditions would be sufficient to clear the way towards normalization; China might accept a Soviet military presence in Cam Ranh Bay in exchange for a Vietnamese military pullout from Cambodia.210 In addition, Beijing gave up the demand that the 19th century treaties must be acknowledged as “unequal” prior to negotiating any new border treaties, and accepted that under the terms of those treaties the border rivers formed the Sino-Russian boundary and that both sides needed only to clarify the delimitation line and the ownership of the river islands via negotiations.211 After 1989, China further

208 Beijing claimed that three issues must be broached before resuming border negotiations and normalizing the bilateral relationship, those are, the withdrawal of Soviet troops from Afghanistan, the withdrawal of Soviet troops from Mongolia and Sino-Soviet borders, and the withdrawal of Vietnamese troops from Cambodia.


210 Jun Niu, “‘Farewell to the Cold War’: the historical implications of China’s normalizing its relations with the Soviet Union,” Social Sciences in China 29, issue 3 (2008).

211 Junwu Pan, Toward a New Framework for Peaceful Settlement of China’s Territorial and Boundary Disputes, (Brill 2009).
dropped its earlier demand for a comprehensive package settlement and agreed to sign sector-specific deals.²¹²

With the concessions from both sides, progress toward finally settling the dispute was made steadily. A boundary agreement for the eastern sector was signed on May 16, 1991, which stated that most of the boundary in the eastern sector ran through the main channel or the median line of the Amur, Ussuri, and Argun rivers and that river islands would be allocated according to the recommendations of a joint commission. The demarcation work subsequently was conducted between 1992 and 1997. The disputed territory was divided almost evenly between the two sides — “A Chinese source states that China received 765 disputed islands or approximately 53 percent of the total. A Russian source states that China received 1,281 of 2,444 disputed river islands and shoals, or approximately 52 percent.”²¹³ The 1991 agreement recognized Zhenbao Island as China’s territory but excluded Heixizai Island and Abagaitu Shoal. The western sector boundary agreement was signed on 3 September 1994, which outlined the alignment of the boundary in the western sector with the watershed principle. In the “Supplementary Agreement on the Eastern Section of China-Russia Borders” that was signed on 14 October 2004, the remaining disputed islands in the eastern sector were divided equally between the two sides. This boundary agreement was ratified by the Russian Duma and China’s National People’s Congress in 2005 and the ratification documents were

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²¹² Chinese leaders stated in 1987 that they would not sign an agreement only for the eastern sector (what the Soviet Union favored) and only accepted a comprehensive settlement to all disputed areas. “Having the whole” increased China’s leverage over the complex disputes in the western sector. Fravel, *Strong Borders, Secure Nation*, 138-141.

exchanged between the two sides on 2 June 2005. At that point, the Chinese-Russian border disputes were completely and finally resolved.

3.4 Discussion

My theory of territorial disputes hypothesizes that the greater symbolic and military value of territory, the more indivisible the territory will be and the more likely there will be escalation; while the greater the economic value of territory, the more likely a negotiated resolution will be, absent a prohibitively high symbolic or military value. Consequently, significant increases in the symbolic or military value of disputed territory make a shift toward escalation likely, while significant increases in economic value make a shift toward cooperation likely, all else equal. When there is no significant change in the value of territory, a delaying strategy is most likely.

Figure 3.10 The Evolution of the Chinese-Russian Frontiers Disputes
In order to examine whether my theory on the connection between territorial value and territorial policy is supported by the case of Chinese-Russian frontier disputes, I summarize my earlier analysis with Figure 3.10. We can see that what has happened regarding the Chinese-Russian frontier issue since 1950 is generally consistent with my hypothesis.

First, throughout the 1950s, the eastern Chinese-Russian frontier was economically salient, while the military and symbolic importance of the frontier was relatively insignificant. During this period of time, China adopted a cooperation strategy towards the frontier disputes and jointly used the borderlands with the Soviet Union. In the 1960s, as relations became deeply strained following the Chinese-Soviet split, the military and symbolic importance of the northeastern frontier increased dramatically, and the Chinese leadership replaced the previous cooperation policy with a more aggressive escalation strategy in the second half of 1960s, which culminated in 1969 with the Zhenbao Battles, and then a mutual backing away from the brink of larger-scale war. In the following one and a half decades, when there was no significant change in the value of the contested territory, a delaying strategy was adopted. Starting in 1986, with a growing economic value and a declining military importance of the northeastern borderlands, China opted for cooperative resolution to the frontier disputes. Different from the border negotiations in the 1970s, the new round of negotiations made steady and substantial progress. A series of border agreements were signed and all of the Chinese-Russian frontier disputes were finally resolved for good in 2004.

Three points are worth noting. First, there are mixed findings regarding my hypothesis that increases in the symbolic value of disputed territory increase the
likelihood that disputes will escalate – increase in the symbolic value of the contested frontier corresponded with an escalation policy in the 1960s, but a cooperation policy in the 1990s. One possible explanation for this finding is that changes in the symbolic value of the territory plays a less powerful role than those in the economic and military value on Chinese territorial policy. As a developing authoritarian state, China makes economic growth and national security a priority in its policymaking. Particularly, new reformist Chinese leadership, headed by Deng Xiaoping, set the country on a pragmatic course placing economics ahead of ideology. It does not mean the Chinese government was not concerned with the domestic audience cost or political security at home, but it had an advantage in managing domestic pressure by controlling the public media and propaganda machine. As discussed earlier, facing the rising irredentist nationalism in the 1990s Chinese government intentionally played down the symbolic salience of border issues with Russia, while elsewhere it highlighted the Taiwan problem and the Diaoyu Island disputes with Japan. Public attention was effectively diverted from the border issue with Russia. In contrast to releasing reports on the historical significance of the Chinese-Russian frontiers, as they did in the 1960s and 1970s, Chinese media evaded the humiliating memories of Tsarist Russia, unequal treaties and the border clashes. And very limited reports on the border negotiations between the two governments were published. This all suggests, tentatively, that symbolic value may play a less significant role in territorial policymaking than military and economic interests.

Second, a delaying strategy does not mean doing nothing. Instead, it involves maintaining the territorial claims through public declarations, participating in negotiations and even some low-level confrontations. Between 1970 and 1985, there was
no significant change in the values of the northern borderlands – the military importance stayed high because of the Soviet military buildup along the borders; the economic value remained low due to the limited economic activities in the area as well as the nation-wide economic stagnation; and the symbolic significance was still high as a result of the anti-Soviet hegemony campaign in China. During this period of time, the border talks were held intermittently, but failed to produce any fundamental breakthroughs on the border question, for neither side had the incentive to make compromise. Nevertheless, the meeting mechanism did contribute to an overall relaxation of tensions and provide a channel for two sides to exchange opinions to reduce the likelihood of accidental conflict.  

Meanwhile, despite several low-level border confrontations, both sides intentionally avoided escalating and breaking the status quo. For example, the Chinese government only made vocal protest after the Ussuri Incident of 1978.

Third, an important question arises: Why did the cooperation strategy lead to the settlement of the Chinese-Russian territorial disputes in the latest historical stage (1986-2005), but not earlier (1949-1959)? Put differently, why was it possible (or thought necessary) for the two sides to settle the sovereignty of disputed territories after 1986?

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rather than just jointly use the territories as they did in the 1950s? The answer to this question includes two parts as follows.

First, the economic structure on the borderlands in 1986-2005 was different with that in 1949-1959. In the 1950s the economic activities along the border were simple and mainly focused on using the border rivers for fishing, logging and haying. The volume of cross-border trade was relatively small. In the 1980s and 1990s, the economic activities became much more complex and cross-border trade was booming and grew into a major sector. Moreover, due to the economic reforms on both sides (from planned to market economy) individuals and private businesses have become major players. As a result, it was difficult or problematic to regulate these economic activities with an unclear international borderline. The thriving border economy required a final settlement of the frontier disputes.²¹⁶

A satisfactory settlement was also possible because China became capable of bargaining with Russia over the territorial issue in the latest stage in a way it was not at the earlier stage. It was irrational for China to try to solve the territorial disputes with the Soviet Union in the 1950s. China was in a very disadvantaged bargaining position then, because not only was its power (military, economic, and diplomatic) much weaker than that of the Soviet Union, but it was also heavily dependent on Soviet aid. In contrast, China’s economic and military capabilities have been substantially strengthened since the

²¹⁶ Also, there was a great concern among the Russians that a stronger China would claim the former Chinese territories back and restore the 16th century borders. And this kind of fear could inhibit the normal economic cooperation between the two sides. See Maria Rephikova and Harley Balzer, “Chinese Migration to Russia: Missed Opportunities”, Eurasian Migration Papers Number 3, 2009, Woodrow Wilson International Center for Scholars; also watch the documentary video “Boom and Bust along Chinese-Russian Border” at http://www.youtube.com/watch?v=YMcrAKSY0r0. It highlights that the booming border trade has not only strengthened the bilateral ties, but fuelled local Russian fears of China’s growing power.
1978 economic reforms. Consequently, the relative gap between China and Russia in terms of national power was significantly narrowed in the 1990s, which allowed China to negotiate with Russian in an equal position over their territorial disputes. And equal bargaining positions ultimately helped render an equal division of the contested territory, which allowed both leaderships to save “face” in front of domestic and international audiences, thereby reducing other potential obstacles to settling the disputes permanently. This is consistent with theoretical analysis of territorial divisibility in Chapter 2.

In sum, the case of the Chinese-Russian frontier disputes shows that China was cooperative toward the border issues in the 1950s and 1990s when the economic territorial value increased and military value decreased, used force in the 1960s when the military and symbolic value upsurged, and adopted a delaying strategy during the 1970-1985 when the territorial values maintained in status quo. These findings largely support my theory on the correspondence of territorial values and policies, but suggest limitations on the effects of symbolic value.

In the following chapter I study another major frontier dispute involving China – the Chinese-Indian frontier disputes. Similar to the Russian case, the evolution of Chinese-Indian frontier disputes has also witnessed cooperation, violence, and stalemate since the establishment of communist China. Yet, contrary to the resolution of the Russian disputes, important contests with India remain unsettled with no clear resolution in sight.
CHAPTER 4: CHINESE-INDIAN FRONTIER DISPUTES

The People’s Republic of China was established on October 1, 1949, after the Communist Chinese Party (CCP) won the civil war and took over power from the Nationalist Party. Meanwhile, the Republic of India was officially set up on January 26, 1950, following the independence gained by the Indian National Congress from the United Kingdom in 1947. These two newly-born countries inherited the unsolved boundary problems from their respective predecessors. After experiencing moderate cooperation in the 1950s, and bloody confrontations in the 1960s, the Chinese-Indian frontier disputes have by and large remained in deadlock for half a century.

The analysis of this chapter shows that the value of the disputed territories in the Chinese-Indian case varies from sector to sector, and China’s policy towards each sector varies accordingly — China has consistently given preference to the western sector, the more militarily strategic sector, willingly giving up the more economically valuable east — is consistent with my hypothesis that the greater the military value of disputed territory, the less likely compromise of any sort will be over that territory. Also, echoing the findings of Chapter 3, increase of symbolic territorial value in this case did not necessarily lead to the escalation of Chinese territorial policy. Compared to the effects of changes in the economic and military value on Chinese policy, changes in symbolic value appear to have played a far weaker role on Chinese territorial policy than my theory predicted.
4.1 Historical Background

The roots of the disputed frontier between China and India extend back to the nineteenth century. Neville Maxwell locates the basic origins of this conflict in empire, expansion, and geography:

“Following the logic of power, empires in their expansive phases push out their frontiers until they meet the resistance of a strong neighbor, or reach a physical barrier which makes a natural point of rest, or until the driving force is exhausted. Thus, through the eighteenth and nineteenth centuries, British power in India expanded, filling out its control of the peninsular sub-continent until it reached the great retaining arc of the Himalayas. There it came into contact with another empire, that of China.”

When the surge of British imperial expansion carried British India to the foot of the Himalayas in the nineteenth century, the minor states that lay in the central sector of the frontier zone (i.e. Nepal, Sikkim, and Bhutan) turned into buffer zones between these two imperial powers; in the western and eastern sectors, however, where no small polities existed to act as buffers, the high plateaus and mountain passes that lie between the mountain ranges became important strategic frontiers, and these areas became the nubs of the Chinese-Indian frontier conflict.

During the period of imperial expansion Britain proposed as many as eleven different boundary lines as their claims shifted back and forth according to the political

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217 Until the nineteenth century, the desolate highlands in the western frontier were rarely visited or explored from both sides; no major migrations or invasions crossed the Karakoram Range. The Karakoram Range is one of the highest mountain systems in the world and a part of the greater Himalaya. It extends from eastern edge of Afghanistan to Kashmir, located in the regions of Gilgit-Baltistan (Pakistan), Ladakh (India) and Xinjiang (China). There was a general understanding that the Karakoram Range separated areas traditionally Chinese and Indian, although no specific attempt was made to demark a boundary until the middle of that century.


219 When the British reached the Himalayas, Nepal, Sikkim and Bhutan were all in varying degrees in dependence upon or allegiance to China.
situation. The four most influential lines are the Johnson Line (1865),\textsuperscript{220} the Johnson-Ardagh Line (1897),\textsuperscript{221} the Macartney-MacDonald Line (1899),\textsuperscript{222} and the McMahon Line (1913).\textsuperscript{223} None of these eleven lines was accepted by the Chinese government at the time; yet their wide variation nonetheless added complications and ambiguities to the Chinese-Indian frontier disputes in the second half of the twentieth century.

4.2 The Disputed Territories and their Value

The current borderline between China and India is about 3,380 kilometer long. Excluding the border between Sikkim and Tibet, the Chinese-Indian border is actually defined by the Line of Actual Control (LAC) that is not marked on the ground or on mutually acceptable maps. The total area of frontiers in dispute is about 125,000 sq. kms

\textsuperscript{220} In 1865 a British officer of the Survey of India, W. H. Johnson, presented a boundary alignment to the Maharaja of Kashmir after his journey to Khotan and Aksai Chin, which placed Aksai Chin plateau in Kashmir.

\textsuperscript{221} In 1897 a British Major-General, John Ardagh, proposed a boundary line that not only included the whole of Aksai Chin, but almost all the territory that Johnson’s alignment of 1865 had given to Kashmir. This alignment was effectively an extension and modification of the Johnson Line and became known as the Johnson-Ardagh Line.

\textsuperscript{222} The Macartney-MacDonald Line was the only border alignment that London and British India ever actually proposed to the Chinese government, and it has therefore a particular significance. This line was initially suggested by George Macartney and proposed to China by Claude MacDonald on March 14, 1899. It put most of Aksai Chin, the whole of the Karakash valley, a trade route and an ancient source of jade in Chinese territory and was approximately the same as the current Line of Actual Control (LAC) in the western frontier. China never replied to the 1899 proposal and the British took that as Chinese acquiescence.

\textsuperscript{223} A tripartite conference was held in Simla in 1913-14 among a representative of the Chinese central government, a Tibetan delegate, and the foreign secretary of the British Indian government, Henry McMahon. Henry McMahon seized the occasion to arrange secret, bilateral negotiations, in which the Tibetan delegate was induced to accept a new eastern border line, i.e. the McMahon Line. The McMahon Line ran along the crest of the Himalayan Mountains, moving British control substantially northwards (some 60 miles to the north of the traditional eastern borderline).
and has generally been divided into three artificial sectors – the eastern, the middle and the western (see Map 4.1).224

Map 4.1 Current Chinese-Indian Frontiers and Disputed Territory

The eastern sector covers about 90,000 square kilometers south of the McMahon Line and north of what China claims as Tibet's customary boundary. This area was named by the independent India as the North East Frontier Agency (NEFA) before 1972 and is currently ruled by India as the Arunachal Pradesh state.225 It is called South Tibet by China. The middle sector contains disputed pockets between Aksai Chin in the west and the junction of the Tibet, India, and Nepal borders in the east. They are about 2,000

224 India claims that the Sino-Indian border is approximately 4,056 kilometer in length and composed by five sectors – the eastern, the middle, the western, the boundary between Sikkim and China, and the boundary between Pakistan-controlled Kashmir and China. Pakistan and China delimited their boundary in 1963 by signing a boundary treaty, which India claims illegally gave part of Kashmir to China. Sikkim officially became an Indian state in 1975, following a people’s referendum. Prior to 1975, Sikkim had been a monarchy, enjoying protectorate status from India. Chinese maps portrayed Sikkim as an independent country till 2003, when China eventually recognized Sikkim as an Indian state, on the condition that India accepted the Tibet Autonomous Region as a part of China.

225 The independent Indian government called the eastern disputed area as the North East Frontier Agency (NEFA) from 1954 to 1972. Beijing started to refer this area as Southern Tibet in 2006.
square kilometers in total and all under India’s administration. The western sector includes 33,000 square kilometers adjacent to Xinjiang and the Ali District of Tibet. Most of this area is now administered by China as a part of the Xinjiang Autonomous Region and is called Aksai Chin by China. India has claimed this area as part of India’s Ladakh. Among the three sectors, the middle sector is the least politically complicated, and settling the dispute here is expected to be done relatively simply—the amount of land involved is relatively small, and the military, economic, and symbolic values are all relatively low. These territories are typically used as leverage in negotiations for other disputed territories, and this is why they are not resolved singularly. The eastern and western sectors are much larger and more complicated, and therefore have become the major targets of the contest between the two sides in the past few decades. Therefore I focus below on the eastern and western sectors.

Different geography and culture of the different disputed borderlands give them different salience in terms of their value. Among the three disputed sectors, the eastern sector in general is the most economically valuable, while Tawang in the eastern sector carries the most symbolic significance for China, and the western sector the most military importance. The middle sector is mainly composed of small sloping pastures and high passes. There are no permanent inhabitants in these areas and the Indian shepherds from the border villages come and tend their sheep here every summer. Comparatively, the middle sector is the least economically valuable.
4.2.1 The Eastern Sector—The Most Economically Valuable

The eastern disputed borderland, i.e. Arunachal Pradesh or South Tibet, is the most economically valuable among the three frontier sectors. It has the highest per capita income in the north-eastern region of India and significant, though largely unutilized resource potential.226 The kinds of resources this area offers are numerous. First, thanks to suitable climate and geography, Arunachal Pradesh is one of the most fertile regions in the greater Tibetan area. Agriculture is the most significant sector of its economy, with rice, maize, millet, wheat, pulses, sugarcane, ginger and oil seeds all grown and processed in the region. Second, over 80 percent of Arunachal Pradesh is covered by evergreen forest, and forest products and industry are considered another lifeline in this area. Third, the Brahmaputra River (called as Yaluzangbu River by China) that runs from Tibet through Arunachal Pradesh and into India not only serves as a major source of irrigation for the region, but also has remarkable potential for hydroelectricity (enough to supply 41.5 percent of all hydroelectricity generated in India). The Great Bend of the Yaluzangbu River creates a drop as high as 2,300 meters, and a hydroelectric dam on the bend (yet to be built) would be very productive. It is reported that China has planned to build the world’s largest hydroelectric power plant on the Great Bend, whose capacity would be twice that of the Three Gorges Dam.227 Fourth, Arunachal Pradesh has rich mineral resources, including hydrocarbons, dolomite, quartzite, limestone, and marble. Large deposits of antimony have also been discovered in the region. Antimony is used in a wide range of products, such as flame retardants, batteries, bullets and


Fifth and last, Arunachal Pradesh is the richest bio-geographical province of the Himalayan zone. It stretches from snow-capped mountains in the north to the plains of Brahmaputra valley in the south, and is full of beautiful scenes. Therefore, Arunachal Pradesh has a great potential for tourism as well.

From a military perspective, however, if China had sovereign control of Arunachal Pradesh, it would be very costly to shield Arunachal Pradesh from Indian invasion. First, Arunachal Pradesh is a low-lying area that is rimmed by the Himalayas on its north and adjacent to the Indian plains on its south. Thus, China would have to send the troops over the Himalayas to secure this piece of land. Moreover, Arunachal Pradesh is far from China proper and not well connected to the Tibetan hinterland, so it would be extremely difficult for the Chinese government to mobilize a large number of troops to this area in a short span of time. As has been argued, if China had not withdrawn from but retained Arunachal Pradesh in the wake of 1962 border war victory, it would have ironically rendered itself in a passive and costly situation.

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228 Xuexiang Qi, “Rare Earth Element and Trace Element Geochemistry of Shalagang Antimony Deposit in the Southern Tibet and Its Tracing Significance for the Origin of Metallogenic Elements,” Geoscience 22 no.2 (April 2008).

229 About 81.22% of Arunachal Pradesh geographic area was covered by forests in 2001. More information about the forest cover data is available at http://www.fsi.nic.in/sfr2003/arunachal.pdf. The entire territory forms a complex hill system with varying elevations ranging from 50m in the foot-hills and gradually ascending to about 7000m, traversed throughout by a number of rivers and rivulets. The vegetation of Arunachal Pradesh falls under four broad climatic categories and can be classified in five broad forest types with a sixth type of secondary forests. These are tropical forests, sub-tropical forests, pine forests, temperate forests and alpine forests. In the degraded forests bamboos and other grasses are of common occurrence. More information is available at the official website of Government of Arunachal Pradesh http://www.arunachalpradesh.nic.in/index.htm.

4.2.2 Tawang – The Most Symbolically Valuable

Map 4.2 Tawang, Arunachal Pradesh

Tawang is a thickly forested area, located at the northwestern part of Arunachal Pradesh (see Map 4.2). Most of its residents practice Tibetan Buddhism and speak a language similar to Tibetan. The Buddhist and near-Buddhist groups in Tawang have elements of civilization considerably influenced by Tibet.\textsuperscript{231} China has claimed that until as late as 1951 (when Tibet was liberated by the PLA) Lhasa appointed the head Lama of the Tawang monastery and Tawang was under the de facto control of Tibet and paid tribute to rulers in Lhasa.\textsuperscript{232} Tawang was the birth place of the sixth Dalai Lama, the

\textsuperscript{231} Mohan Guruswamy and Zorawar Daulet Singh, \textit{India China Relations: The Border Issue and Beyond}, 58.

\textsuperscript{232} In Note of the Ministry of Foreign Affairs of the People’s Republic of China to the Indian Embassy in China (December 26, 1959), China listed that as early as the middle of the 17th century, the local government of the Tibet Region of China had begun to exercise jurisdiction over the eastern sector. At Tawang, an administrative committee was sent to direct the affairs of the whole area. The Tibetan government used to appoint the officials of the administrative organs at various levels in this region, even after the McMahon Line was defined and made public.
spiritual and temporal leader of the Tibetan people, and is home to the 400-year-old Tawang Monastery, the second largest and oldest monastery of Tibetan Buddhism (after the Potala Palace in Lhasa). It is “a virtual treasure trove of Tibetan Buddhist religion and culture” and is seen by Tibetans as the repository of perhaps the last remnants of a Tibet submerged by Han Chinese culture.” In addition to the Tawang Monastery, there are also a number of holy mountains and sacred landscapes of Buddhism in Tawang. Tibetan pilgrims come every year to pay homage to this grand land and its many religious symbols. The fourteenth Dalai Lama took a brief sojourn at the Tawang Monastery while being exiled from Tibet in 1959, and conducted a four-day visit to Tawang fifty years later in November 2009. His visit drew strong objections from China at the time, and was accused by Beijing of being “separatist” in nature.

To summarize, Tawang is a historic cradle of Tibetan Buddhism and a religious and cultural symbol for ethnic Tibetans. For just this reason, Beijing believes that its claims over Tawang are especially important because they are linked to China’s broader bid to cement legitimate control over the Tibet region as a whole. In an optimistic scenario, Beijing believes that bringing the Tawang Monastery and territory under Tibetan regional control will contribute to stability in Tibet by showing that the Chinese government can act to protect Tibetan cultural claims, as well as reunite politically large

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233 The 6th Dalai Lama was born in Tawang in the 17th century and brought to Lhasa by a search committee.


numbers of ethnic Tibetans and important parts of Tibetan history and culture. On the other hand, and perhaps more immediate in Beijing’s thinking, if Beijing admitted that Tawang was non-Chinese, it would indicate that the Tibetan holy sites in Tawang and the Tibetan spiritual leader who was born in Tawang were also non-Chinese. At that point it would become questionable for Beijing to claim Tibet as Chinese territory, and make it more challenging for Beijing to maintain its control over Tibet.

The settlement of Tawang has been regarded as the center of the eastern sector dispute between China and India. As Mr. Ranjit Sethi, a retired Indian Foreign Service officer once pointed out, “It is well known that in the final details, a settlement on Tawang will be energetically contested. In fact, negotiators, or at least some of them, on the Indian side have always know this, and been prepared to face the issue when the time came.” For China the symbolic importance of the region is crucial, and its centers on a problem of cultural signaling and political legitimacy that bears on the control of territory far beyond Tawang itself.

4.2.3 The Western Sector – The Most Militarily Valuable

The western disputed borderland, i.e. Aksai Chin, is basically a vast, desert plain, with some salt lakes and rocky pinnacles (see Map 4.3). Because of the high altitude (from 15,500 to 18,000 feet), harsh weather and barren soil, Aksai Chin is almost uninhabited and has no permanent settlements (except the stationed Chinese soldiers). No

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natural resources such as oil or minerals have been discovered in the region so far. As one Indian scholar vividly describes, Arunachal Pradesh is one piece of fat meat, while Aksai Chin is ghost tower of Central Asia.\textsuperscript{238} The economic value of Aksai Chin is negligible.

However, the military importance of Aksai Chin is the most remarkable among the three disputed sectors. The main developments in Aksai Chin have been strategic or military oriented, overshadowing all other aspects.\textsuperscript{239} First, the Aksai Chin plain is the most feasible land-connection between Xinjiang and Tibet and has been used as the essential passage between these two regions since ancient times. The strategic value of Aksai Chin to China was clearly highlighted in a note that was given by the Chinese Ministry of Foreign Affairs to the embassy of India in China on 26 December 1959:


\textsuperscript{239} Mohan Guruswamy and Zorawar Daulet Singh, \textit{India China Relations: The Border Issue and Beyond}, 57.
“This area (Aksai Chin) is the only traffic artery linking Xinjiang and western Tibet, because to its northeast lies the great Gobi of Xinjiang through which direct traffic with Tibet is practically impossible…In the latter half of 1950, it was through this area that the Chinese Government dispatched the first units of the Chinese People’s Liberation Army to enter Tibet.”

By 1957 the Chinese had converted the old caravan route in Aksai Chin into a motorable road, making it expedient to support a western Tibet garrison from logistics bases in Xinjiang. The Xinjiang-Tibet road ensures a year round supply line to Tibet. Recently, China paved and upgraded the road into the Xinjiang-Tibet Highway (see Map 4.4), which has drawn great attention from the Indian side.

Second, geographical advantages make Aksai Chin a crucial fortress on the western Chinese frontier. Being a high ground overlooking Central Asia, Aksai Chin enjoys advantages in both defense and offense. On defense, Aksai Chin shields Xinjiang from external attack. Without Aksai Chin, China would have to use a great deal of manpower and resources to guard its western rear. And in a manner opposite the situation in Arunachal Pradesh (as described above), Aksai Chin is far more accessible to the Chinese than it is to the Indians. On offense, Aksai Chin is “like a Damocles sword...

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241 The Aksai Chin highway connected Gartok in Tibet with Yarkand in Xinjiang. This route was a two-way road capable of taking even the heavier Army vehicles. This road passed through an extremely hostile terrain, rising from 1,500 meters in Xinjiang to about 5,000 meters in the Aksai Chin area. Mohan Guruswamy and Zorawar Daulet Singh, *India China Relations: The Border Issue and Beyond* (New Delhi: Viva Books, 2009), 73.


243 For this, the Indian External Affairs Ministry argued in a meeting in January 1959 that Aksai Chin “was useless to India. Even if the Chinese did not encroach into it, India could not make any use of it.”
hanging over India’s head.”

“In the event of hostilities between India and China, China’s heavy equipment units could rumble down through Aksai Chin, and easily run over New Delhi, the Indian capital city. Subsequently sweep across Mumbai, etc. India’s economic centers, and defeat India once again.”

Moreover, Aksai Chin is next to Kashmir, the long-time disputed land between India and Pakistan. Having such a strategic location gives China heavy military leverage in the region, because in the event of an India-Pakistan war, China could effectively support the Pakistanis against the Indians if it decided to.

4.2.4 Change in the Economic Value of Territory

Figure 4.1 the Evolution of the Territorial Value of the Contested Frontier (1950-2010)

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246 For example, in September 1965 China mobilized forces in the western sector to support Pakistan in its war with India and threatened to open a second front in the Himalayas.
There has been limited change in the economic value of all three sectors over the past 60 years (See Figure 4.1). First of all, natural resources in the eastern sector have been barely explored because of a lack of road infrastructure. While roads as well as airfields have been constructed up to the Line of Actual Control on the China side, the infrastructure on the India side has been downgraded. For New Delhi, the lack of roads in the Arunachal Pradesh has traditionally worked as a defense mechanism to stop Chinese troops moving into India’s heartland. But this has also seriously dragged the economic development in the area and made the exploration of local natural resources very costly and even unfeasible.

However, as the demand for better roads within Arunachal Pradesh has grown, and Indian military capabilities have strengthened in recent years, the Indian government has started improving the situation of Arunachal Pradesh since 2005. First, the *Arunachal Pradesh 2005 Human Development Report* identified infrastructure development as one of the key concerns of the state; then, the Indian government approved a proposal to build and construct strategic roads in Arunachal Pradesh in the meeting of the Cabinet Committee on Economic Affairs in May 2006. Indian Prime Minister Manmohan Singh subsequently issued a package of Rs. 240 billion in 2009 for building a 1,500 kms Trans-Arunachal Pradesh highway; and the Ministry of Home sanctioned Rs.19.34 billion on June 4, 2012 for strategic road projects of about 804 kms along the India-China border, both in the eastern and the western sector. It is reported that about 63% of work on

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247 Namrata Goswami, “Strategic Road-Building along the India-China border”, *Institution for Defense Studies and Analyses (IDSA)*, 7 June 2012. Yet, ground realities make it an arduous task to build two-lane highways in such hilly and inaccessible terrain. In addition, massive local corruption is seen as the cause of growing frustration and unhappiness with the nature of governance in Arunachal Pradesh.
roads in Arunachal Pradesh and 12% in Ladakh have been completed by 2011; in addition, 3 airstrips and 36 kilometers of bridges on these important roads will be built.\textsuperscript{249} As communication and infrastructure in Arunachal Pradesh is improved, the exploration of natural resources in the region will become feasible and profitable. Therefore, we are very likely to see a significant increase in the economic value of the eastern sector when the infrastructure projects are completed.

Border trade has played only a limited role in increasing the economic value of the borderlands. Before the 1962 border clashes, the border trade between China and India was small in volume and mainly done through the Nathula Pass in the middle sector. Nathula Pass connects Sikkim and Tibet and was an offshoot of the ancient Silk Road. Border trade was completely shut down after the 1962 Chinese-Indian border war. In 2003, India officially recognized Tibet as a part of China; in return, China recognized Indian sovereignty over Sikkim. In the same year, the two sides signed the \textit{Memorandum on Expanding Border Trade}. As a result, Nathula Pass was officially re-opened for border trade on 6 July 2006, after being sealed for forty-six years.

Nevertheless, the development of border trade has been slow since the re-opening for several reasons. One of the reasons is that “the continuous and numerous landslides devastated communication to the snow clad high altitude road to Nathula trade point.”\textsuperscript{250} Another reason is that the Nathula Pass is only open for 6 months (May 1 to November

\begin{footnotesize}
\begin{enumerate}
\item\textsuperscript{248} “PM announces timeframe for infra projects in Arunachal,” \textit{The Hindu}, 03 October 2009, www.thehindu.com/news/national
\item\textsuperscript{249} “India Plans to Build Network of Strategic Roads along Chinese border by 2013,” \textit{PTI News Agency}, 07 May 2011.
\item\textsuperscript{250} “Sino Indian Trade Through Nathula to Get Stalled,” \textit{The Economic Times (India)}, 25 July 2012.
\end{enumerate}
\end{footnotesize}
every year and only specific items are permitted entry by each country – India authorized the export of 29 items to China, and a mere 15 items were permitted to enter the Indian market from China.251 Therefore, although the annual total bilateral trade value has been increasing gradually since the re-opening of 2006, it was still lower than 16 million Rupees (approx. 27,800 US) in 2010 (see Figure 4.2).

Figure 4.2 Value of Border Trade via the Nathula Pass (2006-2010)

4.2.5 Change in the Military Value of Territory

There have been two major surges in the military value of the contested territory since 1950. The first one occurred in the early 1960s because of the Tibetan Rebellion of 1959 and India’s ‘Forward Policy’ of 1960.

251 The 15 items that are importable from China are goat skin, sheep skin, wool, raw silk, yak tail, yak hair, china clay, borax, seabelyipe, butter, goat kashmiri, common salt, horses, goats, and sheep; the 29 items from India are agriculture implements, blankets, copper products, clothes, cycles, coffee, tea, barley, rice, flour, dry fruits, vegetables, vegetable oil, gur and misri, tobacco, kerosene oil, stationery, utensils, wheat, liquor, milk processed product, canned food, cigarettes, local herb, palm oil, snuff, spices, shoes, and hardware. “China-India Border Trade ‘Not Ideal’,” Xinhua News Agency, 11 August, 2006.
The Tibetan rebellion began in March 1959, but its seeds had been sown a decade earlier when Chinese Communist forces entered and occupied Tibet. After the Chinese Communist Party defeated the Nationalist Government in the civil war in 1949, Chairman Mao Zedong sent troops to “liberate” Tibet in 1950, not only as one step to complete China’s unification, but also because of the strategic importance of Tibet to China. Mao stated that “although Tibet does not have a large population, its international [strategic] position is extremely important. Therefore, we must occupy it and transform it into a people’s democratic Tibet.” On 23 May 1951 Beijing and Lhasa reached a “Seventeen-Point Agreement,” which allowed the People’s Liberation Army (PLA) to move into Tibet in fall 1951 without encountering resistance. Yet tension between the Communists and many Tibetan people, including a group of conservative Tibetan elites, developed quickly after the PLA entered Tibet. A series of demonstrations and protests against the Communist authorities were held in Tibet in early 1952, and although Beijing adjusted its policy to calm down the Tibetans and control the situation, those measures were no more than temporary tactics and could not solve the profound problems between the two parties. More resistance and armed revolts erupted in Lhasa and other parts of Tibet in the following years. Tension was further stirred up by the radical “Great Leap Forward” campaign that swept across all of China in 1958; and as many as 80,000 people

252 Manuscripts of Mao Zedong since the Founding of the Nation [Jianguo Yilai Maozedong Wengao] (Beijing: Central Literature Publishing House, 1992), 208.

253 Under this agreement, the Tibetans were obliged to accept China’s claim to sovereignty over Tibet and thus becoming an integral part of People’s Republic of China. In return, Beijing promised not to carry out sweeping reforms in Tibet for a certain period and Tibet, as a special minority region, would keep its existing political, social and monastic systems.

had joined the Tibetan resistance fighters by 1958. More importantly, with various kinds of support from the U.S. Central Intelligence Agency (CIA), the Tibetan rebels had been capable of forming a serious challenge to Communist control in Tibet by early 1959. Tension finally broke out into a large-scale armed rebellion in Lhasa on 10 March 1959.

The PLA quickly suppressed the rebellion and effectively controlled the situation in Lhasa by late March 1959. However, Beijing’s concern over the stability of Tibet did not diminish because, first, the Dalai Lama and his followers fled to India during the rebellion. They not only received asylum from the Indian government, but also established the Tibetan government-in-exile at India’s Dharamsala (see Map 4.5). Second, a significant amount of defeated Tibetan rebels fled across the Chinese-Indian border. They stationed near the frontiers and re-replenished with arms, medicine and foods supplied by the U.S. CIA. They also received overwhelming sympathy and support from India’s public that was extremely critical of the PLA’s suppression in Tibet. The fact that the commanding center of the rebellion was established in India’s Kalimpong (see Map 4.6) made Beijing suspicious that the Indian government had worked with the Tibetan rebels behind the scenes and been deeply involved in the rebellion in Lhasa. Beijing


256 For the CCP leaders, the rebellion was not necessarily a bad thing, since it enabled the Communist Chinese to solve existing problems through war, working as a pretext to carry out “democratic reforms” in Tibet. Mao Zedong explicitly stated that “[we] should only say suppressing the rebellion, but not say carrying out the reforms, and the reforms should be carried out under [the banner of] suppressing the rebellion. A policy of differentiation should be introduced: Where the rebellion happens first, the reforms come first; where the rebellion happens later, the reforms come later; and if there is no rebellion, the reforms will not come [for the moment].” Yang Shangkun’s Dairy [Yang Shangkun Riji], 2000, p.366, cited by Chen Jian in “The Tibetan Rebellion of 1959 and China’s Changing Relations with India and the Soviet Union,” Journal of Cold War Studies 8, no. 3 (Summer 2006): 69-74.
believed that the Indian government, like the former British colonizer, had always sought to turn Tibet into a “buffer zone” by instigating Tibet to be independent (or semi-independent) from China.257

With the Dalai Lama and remnant Tibetan rebels stationed on India’s northeastern frontiers, the contested borderlands became more strategically important to the stability and security of southwest China. Beijing’s calculation was that, if it controlled these

disputed territories, it would be able to keep the exile rebels further away from the center of Tibet, Lhasa.\textsuperscript{258}

The military salience of the contested frontiers was pushed to a higher level when the Indian Government officially issued the ‘Forward Policy’ on 2 November 1961, which ordered Indian troops to patrol as far forward as possible from India’s present positions towards the international border as recognized by India.\textsuperscript{259} Such an aggressive policy was based on the Nehru administration’s assumption that China was not likely to use force against Indian outposts even if they were in a position to do so.\textsuperscript{260} India’s calculation was as follows: First, China at the time was surrounded by the military power of the Soviet Union from the north, the United States from the east and south, and India from the west. This encirclement put China in a bad strategic position with the potential for Soviet or U.S. intervention in a border conflict. Second, the Chinese were undergoing severe economic difficulties after being struck by three-years of natural disasters and the failed Great Leap Forward campaign. Third, over 90 percent of Chinese military forces had been deployed along the north and east borders and in the hinterland, so the military capabilities stationed in Tibet were limited, and these were already occupied with maintaining stability in the post-rebellion Tibet.

Under the Forward Policy the Indian forces quickly advanced into territories that China claimed and occupied. In total more than 100 Indian posts were established along


\textsuperscript{259} Neville Maxwell, India’s China War, 221-224.

\textsuperscript{260} See Lei Yingfu, Zai Zuigao Tongshuaibu Dang Cam mou, 205.
the disputed borderlands and some posts were even set up several miles north of the McMahon Line in the eastern sector (5,600 Indian soldiers were sent to the western sector and 16,700 to the eastern sector). Indian forces crossing the McMahon Line fired at the Chinese posts in September 1961 and killed or wounded 47 Chinese border soldiers two months later.

The second surge of military value occurred around 1986. The driving force behind the second surge was very similar to that of the first one – India’s Forward Movement. First, India resumed the border patrols in 1981 and built a seasonal observation post near the Thag La ridge in summer 1984, which falls along a traditional route from Lhasa to Tawang. The area has been considered neutral since 1962. Then the new chief of the Indian army, General K. Sundarji, started pushing a forward policy in early 1986 including “Operation Chequerboard” in February and “Operation Falcon” in October along the Indian-Chinese border. These operations included holding a massive air-land exercise, airlifting helicopters and tanks to Arunachal Pradesh, and occupying the neutral areas in the eastern sector and advancing troops across the McMahon Line. Moreover, despite Chinese protests India granted statehood to Arunachal Pradesh and provided it with more military capabilities. Quickly, Beijing responded by transferring troops from Chengdu and Lanzhou to the Tibetan frontier with India. The border tensions escalated steeply and the two sides were on the verge of border clashes.

261 When an Indian patrol returned to the post in June of 1986, it found Chinese had seized the post and engaged in building permanent structures.

4.2.6 Change in the Symbolic Value of Territory

As recognized by Beijing, change in the symbolic value of China’s disputed territory with India has been directly affected by the Tibetan independence movements. “Tibetan-Chinese relations have long been governed by gifts” – the Qing Emperors gave patronage and military protection to the Dalai Lamas, and the Dalai Lamas gave religious respect, charismatic status, and limited forms of obedience to the Qing Emperors (e.g. asking them to confirm the Tibetans’ most senior appointments) in return.²⁶⁴ At a broad level and in theory at least, the traditional gift relationship between the Chinese central government and Tibet has been maintained since the Chinese Communist Party came to power in 1949: Gifts from the party include liberation in 1950, socialism in 1959, regional autonomy in 1965, cultural recovery and modernization in 1980, stability in 1990, market economy in 1992, and “comfortable housing” in 2006.²⁶⁵ Chinese leaders have repeatedly stated that the Tibet Policy “is crucial to the success of reforms, development, and stability throughout the country,” and “the stability in Tibet concerns the stability of the country.”²⁶⁶

However, loyalty that is built on party-defined beneficence without national, religious and/or ethnic bonding is potentially unstable; and often the party’s gifts have led to more problems than benefits for the Tibetans, as “…the new gifts were accompanied


by messages of Chinese prowess and Tibetan backwardness rather than respect for religion and traditional local leaders. Each phase of gift giving has been followed by periods of punishment, and at times the two functions have been carried out simultaneously. Since 1996, for example, the state has provided lavish housing and increased salaries for the Tibetan urban middle class whilst at the same time banning many of them from any form of Buddhist practice.” Such an unhealthy relationship has bred a series of Tibetan unrest and protests; the especially large-scale ones include the uprising of 1959, the four major demonstrations that took place between October 1987 and March 1989 and the unrest of 2008.

The symbolic value of the contested borderlands surged during and following the Tibetan protests, when the Chinese government had to exert great effort to consolidate its political control in the region. During these sensitive periods of time the importance of the contested lands between China and India went beyond the immediate territorial issue. More than that Beijing needed to win the minds if not the hearts of Tibetans by showing its capability of protecting Tibetan territory, especially the sacred Tibetan lands (such as the Tawang tract) that have a strong tie with Tibetan Buddhism and carry high religious and emotional significance for Tibetans. Any compromise over these disputed lands could further weaken Beijing’s authority and credibility with the Tibetans. “If the border issue is not dealt well, the Chinese central government could face problems from local Tibetan people, who consider Tawang as part of Tibet;” and from China’s perspective,


268 Professor Ma Jiali of the China Institute of Contemporary International Relations told the Press Trust of India in an interview in March 2007. Sudha Rmachandran, “China Toys with India’s Border.”

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“...we don’t want to be seen not to be protecting Tibetan interests.” China’s government viewed gaining and potentially uniting the contested territory with Tibet (or at least maintaining the frontier status quo that kept future unification on the table) as an important source of legitimacy for its occupation of Tibet.

In addition to this internal pressure, India’s aggressive movement towards nationalizing the contested territories and increasing its presence on the lands also stirred Chinese nationalist sentiment toward the disputed territory. Particularly, the decision of making Arunachal Pradesh a full-fledged state in 1986 seriously challenged China’s claim to sovereignty over this region, and therefore drew strong protests from the Chinese government as well as the local people in Tibet. The symbolic significance of the disputed borderlands surged up to a higher level at the end of 1986.

4.3 Chinese Territorial Policy

Figure 4.3 the Evolution of Chinese Policy toward the Contested Territory (1950-2010)

269 Wang Yiwei, associate professor at Fudan University told the Indian media in July 2007. Sudha Rmachandran, “China Toys with India’s Border.”


In the first years after the establishment of the Communist regime, China’s government showed different attitudes toward the three sectors of the disputed borderlands. In the western sector China extended posts, strengthened forces and undertook military constructions, including improving the ancient trans-Aksai Chin caravan route (It was completed in September 1957, but New Delhi did not become aware of the road until the end of 1958). While in the middle and eastern sectors, China adopted a moderately cooperative policy – it signed a Tibetan agreement with the Indian government to facilitate border trade and interaction in these two sectors. When Indian troops moved into Tawang and ordered Tibetan officials out in February 1951, no complaint or comment on the Indian action came from Beijing, even though at the time Tibetan authorities in Lhasa issued a strong protest against Indian aggression. This signaled that Beijing did not intend to make an issue of the McMahon Line at the time.272

Moreover, when the Indian Prime Minister Jawaharlal Nehru broached the border issue during his meeting with the Chinese Premier Zhou Enlai in 1954, Zhou hinted that China would be prepared to acknowledge the McMahon Line in the eastern sector.273 Two years later, when Nehru and Zhou met again, Zhou expressed that China was willing to accept the McMahon line as the basis of a settlement in the context of comprehensive


273 In Nehru’s account, he mentioned that some Chinese maps gave a wrong borderline between the two countries. Zhou replied that these maps were really reproduction of old pre-liberation maps and that the new regime in Beijing had had no time to revise them. In Zhou’s account, his reply was that since there had been no boundary delimitation between India and China there were bound to be discrepancies between the two countries’ maps. Therefore China had not asked India to revise its maps and it would be inappropriate for the Chinese Government to revise the old map right now. The Sino-Indian Boundary Question [Guanyu Zhongyin Bianjie Wenti], 1962.
boundary negotiations between the two governments. Nevertheless, Zhou did not mention the borderline in the western sector, let alone compromise over the western sector. During his visit to India in 1960, Zhou officially proposed a “Swap Deal” (also known as the “Package Deal”), that is, China would drop its claims in the eastern sector in exchange for India’s dropping its claims in the western sector. Zhou said “In the eastern sector, we recognize the line reached by India’s administrative jurisdiction. In the western sector, India should recognize the line of China’s administrative jurisdiction.” Yet Nehru rejected Zhou’s proposal, largely because of the strong domestic backlash that would follow. He was politically too weak in the Cabinet and his party to be able to sell a compromise by way of an overall settlement. Instead, Nehru insisted that China should withdraw from Aksai Chin in the west and abandon its claim in the east because the 1914 Simla agreements between India and Tibet had defined these lands as Indian.

When Beijing extended its military and political control to the entire Tibetan territory and chased the defeated Tibetan rebels on the Chinese side of the border in the late 1950s, New Delhi began pushing its forces into remote frontier regions and cutting

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274 “…the Chinese Government is of the opinion that they should give recognition to the McMahon line. They had, however, not consulted the Tibetan authorities about it yet. They proposed to do so.” Cited from “Nehru’s letter to Zhou, 14 December 1958,” in The Sino-Indian Boundary Question [Guanyu Zhongyin Bianjie Wenti], 1962.

275 Zhou Enlai Chronicle [Zhou Enlai Nianpu], p.312. Nehru’s official biographer denies the exit of the ‘swap deal’, but one recently declassified CIA report confirmed that Zhou proposed such a deal to India in 1960. It says “Chou’s public and private remarks made it clear that the Chinese had tried to gain from Indian officials an exchange of the NEFA for Chinese-occupied Ladakh. The 27 April circular message to Indian embassies stated that the Chinese ‘throughout the discussions had invariably linked Ladakh with the NEFA and stressed that the same principles of settling the boundary must govern both areas. It was also obvious that if we accepted the line claimed by China in Ladakh, they would accept the McMahon line.’” The Sino-Indian Border Dispute Section 2: 1959-61 (CIA/RSS, Reference Title POLO XVI), 47.

off Chinese supply lines. On 25 August 1959, the first bloody incident occurred between Chinese and Indian border garrisons at Longju, near the McMahon line in the eastern sector, resulting in one Indian killed and one wounded. ²⁷⁷ Less than two months later, on 21 October, a more serious clash occurred at the Kongka Pass in the western sector with nine Indian and one Chinese soldiers being killed. Zhou wrote to Nehru on 7 November 1959 and suggested that both sides withdraw 20 kilometers from the line of actual control and cease patrolling in that forward zone in order to avoid further bloodshed. However, Nehru not only rejected Zhou’s proposal again, but sent probes deeper into border areas.

The disputes escalated quickly in the early 1960s. On 13 April 1961 the People’s Daily initiated a new pattern of publicity of the conflict by headlining, on page one of the paper, its publication of Chinese-Indian diplomatic exchanges and internal investigations of the conflict. Chinese protests appeared in print within three days of their publication, followed by Beijing’s “strongest protest” on April 30th which detailed fifteen alleged provocations between April 15 and April 27 in the sharpest language used since the clashes of 1959. It warned that “…should the Indian government refuse to withdraw its aggressive posts and continue to carry out provocation against the Chinese post, the Chinese frontier guards will be forced to defend themselves.” ²⁷⁸ China increased its military presence along the borders and resumed patrols in the disputed sectors in February 1962. Meanwhile, Chinese border forces were ordered to erect new outposts to

²⁷⁷ It is ambiguous that Longju is located on the north or south of the McMahon Line.

block further Indian advance and cut off Indian supply routes.\textsuperscript{279} By July 1962 Chinese and Indian posts had interlocked in a zigzag pattern.

Beijing sent out a protest note on 19 May 1962, stating “The Chinese government will not stand idly by seeing its territory once again unlawfully invaded and occupied.”\textsuperscript{280} The phrase “will not stand idly by” was deliberate and meaningful to all Chinese readers. It first became prominent on 10 October 1950 when it was used to deter United Nations Commander General Douglas MacArthur from occupying North Korea.\textsuperscript{281} Two weeks later, when the attempt failed, the Chinese people’s volunteers attacked forty miles below the Yalu River and officially participated in the Korean War. And now this phrase showed up again in Chinese protest, which signaled that Beijing was serious about using force over the border conflict with India.

However, India ignored Chinese warnings to halt this Forward Policy. Instead, as a U.S. Ministry Defense Report commented, the Forward Policy “went too far, got too reckless, and lost its balance in its later stages.”\textsuperscript{282} On 12 October 1962, Nehru’s speech at Palam airport (Delhi) before he left for a trip to Sri Lanka indicated that he had already given orders to occupy the Chinese check posts by force at Tzedong, north of the McMahon Line (i.e. on the Chinese side of the McMahon Line).\textsuperscript{283} British and American

\textsuperscript{279} John Garver, “China’s Decision for War with India in 1962,” 37.

\textsuperscript{280} White Paper vi, 46.

\textsuperscript{281} Allen S. Whiting, \textit{The Chinese Calculus of Deterrence: India and Indochina} (Center for Chinese Studies, 2001), 58.

\textsuperscript{282} Henderson-Brooks Report, 1962, pp. xix-xxiv., classified document. This report was first published in 1992 and now a public document. It is considered a meticulously researched, balanced account of the prelude to the events of 1962.
press (such as The Guardian of 13 October and the Washington Post of 15 October) interpreted this declaration of force as India’s ultimatum to China. It was further confirmed two days later, when Indian Defense Minister V.K. Krishna Menon stated in a meeting of Congress workers at Bangalore that the government had come to a final decision to drive out the Chinese from the NEFA. The People’s Daily of 14 October responded to Nehru’s speech by stating “How could the Chinese possibly be so weak-kneed and faint-hearted as to tolerate this? It is high time to show to Mr. Nehru that the heroic Chinese troops with the glorious tradition of resisting foreign aggression can never be cleared by anyone from their own territory.”

Thus, when the Indian Forward Policy was in full swing in all three sectors Chinese leaders decided to pursue an escalation strategy and use military force to stop the Indian troops from probing deeper. On 6 October 1962 Mao and the Chinese Central Military Commission (CMC) decided in principle for a large scale attack on the Indian forward-deployed forces. Chinese leaders reached an agreement that the military action against the Indians had to be quick and efficient to reduce the possibility of third-party intervention (i.e. the Americans, Soviets or Tibetans). In fact by August 1962 Beijing had known that the U.S. would restrain the KMT in Taiwan from launching an invasion of the mainland. And by 14 October, China’s Ambassador in Moscow had secured...

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286 In June 1962 the Chinese Ambassador in Warsaw received an assurance from the US Ambassador that the US would not support a Nationalist invasion of the mainland. And this was confirmed publicly by the
guarantees from Khrushchev that the Soviet Union would “stand together with China” in the event of a Sino-Indian war. “The Chinese attributed this Soviet support, a reversal of its earlier policy of neutrality in the Sino-Indian dispute, to a Soviet desire for Chinese support in the event of war with the U.S., given the impending Cuban missile crisis (22 October 1962).”

On October 8 the Chinese Central Military Commission transferred several additional divisions of high-quality forces from Chengdu and Lanzhou to Tibet; on October 16 the CMC issued the “Operational Order to Destroy the Invading Indian Army;” and on October 18 the war plans were approved by an enlarged Politburo meeting and the attack set for October 20.

As planned, the Chinese PLA launched all-out attacks on the Indian forces on 20 October 1962. With 4 days of fierce fighting the Chinese troops succeeded in bringing a substantial portion of the contested territory under their control. On 24 October Beijing proposed that both sides withdraw 20 kilometers from the LAC as it had existed on 7 November 1959 and seek for a negotiated settlement of the boundary. After New Delhi turned down this proposal, the PLA resumed military activities along the border on 16 November 1962. Three days later, Chinese destroyed all Indian posts and eliminated the Indian presence in the disputed territories. Both sides, especially the Indians, suffered

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U.S. President Kennedy later. A. G. Noorani, Freshi Insights into the 1962 War; Oriana Skylar Mastor, “Settling the Score: The interactive Effect of Fighting and Bargaining on War Duration and Termination.”


heavy casualties. The Indians were pushed back to where they were before November 1959. On 21 November the Chinese government declared a unilateral ceasefire and on 1 December 1962 the border war officially ended. Shortly, China not only withdrew from all territory that it had seized during the fighting, but also unilaterally pulled back to positions 20 kilometers behind the LAC of November 1959 in all sectors.

In the following two decades (i.e. 1962-1985) both sides adopted a delaying strategy. Although they often blamed each other for intruding across the LAC, the Chinese-Indian borders were generally maintained in peace. One exception was the gunshot exchange in the middle sector in 1967, but it was out of precaution or misperception rather than a switch to escalating policy. According to limited sources, Indian soldiers erected barbed wire fencing to form a barrier between the two sides and reduce potential confrontations in August-September of 1967. However, Chinese border commanders viewed this as a provocative move to seize Chinese territory. China first issued oral protests, and when this failed to stop the Indians they opened fire with machine guns on 11 September. Indian forces quickly responded and the duel carried on three days and ended with casualties on both sides. The only record of the Chinese leadership’s involvement in the clash is Zhou Enlai’s instructions that were issued after the confrontation and stated that Chinese forces should return fire only if fired upon.

However, the status quo was broken and border tensions were stirred up along the disputed eastern sector in 1986-87. First, India made Arunachal Pradesh a full-fledged


state in February 1986. Meanwhile, India conducted high-altitude military exercises named “Operation Chequerboard” in February, and “Operation Falcon” in October along the eastern sector in order to test how quickly Indian troops stationed in the Assam Plains could act and how the U.S. and Soviets could respond to potential Sino-Indian tensions in the region. China viewed India’s actions as a clear challenge to the status quo of the disputed frontiers and turned to an escalating territorial policy in early 1987.291 In early 1987 Beijing’s tone became similar to that of 1962. Also similar to the situation of 1962, the two sides built up their military presence in the eastern sector with each side deploying approximately 200,000 troops along the contested frontier by May 1987. The Indian Army deployed 11 divisions in the region backed up by paramilitary forces, and the Chinese PLA had 15 divisions available for operations on the border.292 A skirmish broke out at the Sumdorong Chu valley in the eastern sector in March 1987.293 Fortunately, tensions began to drop after India sent its foreign affairs official to China in May; and three month later both sides began pulling back their troops from the border area.

Since the 1987 escalation the Chinese-Indian frontier disputes have by and large stayed in a deadlock. On the one hand, the two sides engaged in no less than 16 rounds of border talks by 2013. The talks were useful to the extent of re-affirming each side’s commitment to maintain peace along the LAC. For example, China and India signed

291 Fravel, Strong Borders, Secure Nation, 199.

292 The Indian press claimed that China was stockpiling nuclear weapons in Tibet, aimed at India, which China denied. George Perkovich, India’s Nuclear Bomb: the Impact on Global Proliferation (University of California Press, 1999), 289.

agreements in 1993, 1996 and 2005, which provided a framework and guiding principles for maintaining peace in border regions and settling border issues.\textsuperscript{294} In addition, India officially recognized Tibet as a part of China; in return, China recognized Indian sovereignty over Sikkim. On the other hand, neither of the two sides has been willing to make substantial compromises. Although they exchanged ground maps in 2002, they still have not reached agreement on where exactly the Line of Actual Control lies. And this ambiguity has made actual border confrontations more likely and complicated. For example, the latest flare-up occurred in April 2013. It was triggered by Indians rebuilding an old airfield near the western sector, which was used in the 1962 border war. China responded to Indian action by erecting tents near the airfield on 15 April 2013. New Delhi accused Beijing of violating the LAC, while Beijing denied the allegations and insisted that the tents were on the Chinese side. Quickly, Indians also set up camp 100 meters away from the Chinese ones. This military standoff lasted for three weeks until both sides scaled down the tensions and pulled back their troops.\textsuperscript{295}

\textsuperscript{294} Specifically, Agreement on the Maintenance of Peace along the Line of Actual Control in the India-China Border was signed in 1993; Agreement on Confidence-Building Measures in the Military Field along the Line of Actual Control in the China-India Border Area in 1996; Agreement between the Government of the Republic of India and the Government of the People’s Republic of China on the Political Parameters and Guiding Principles for the Settlement of the India-China Boundary Question in 2005.

\textsuperscript{295} During the standoff, Chinese Premier Li Keqiang visited India and received warm welcome by the Indian government. In his speech, Li highlighted that both sides needed to improve border related mechanisms and the border disputes would be solved in a peaceful way. During the visit, several major roads in the Indian capital were closed to prevent Tibetan protesters from disrupting Li’s visit, and exiled Tibetan groups complained of heavy-handed policing in their neighborhoods. Will Davies, “India and China Played Down Border Tensions,” The Wall Street Journal, 20 May 2013.
4.4 Discussion

What does the case of Chinese-Indian frontier disputes tell us about the relationship between territorial value and policy? To what extend does it support the hypotheses proposed in this dissertation?

Figure 4.4 the Evolution of Chinese-Indian Frontier Disputes

There are several important points to make:

First, the value of the disputed territories here varies from sector to sector, and China’s policy towards each sector varies accordingly. Specifically, China has shown a great deal of flexibility with regard to the eastern sector that is the most (potentially) economically valuable, but it has refused to make any compromise over the western
sector that is the most militarily important. More recently (though not always), China has also held a firm attitude toward Tawang, which is of great symbolic importance.²⁹⁶

Interestingly, the so-called “Swap Deal” has been a consistent element of Chinese foreign policy—a form of potential cooperation and concession that is perpetually on the table, even when the two parties are fighting. Zhou Enlai first proposed the “Swap Deal/Package Deal” in 1960. Deng Xiaoping re-mentioned this proposal on a number of occasions in the late 1970s and early 1980s. Deng once told a visiting member of the Indian Parliament, for example, that “China has never asked for the return of all the territory illegally incorporated into India by the old colonialists. China suggested that both countries should make concessions, China in the east sector and India in the west sector, on the basis of the actually controlled border line, so as to solve the Sino-Indian border question in a package plan.”²⁹⁷ Many years later China also proposed a revised ‘Swap Deal’ in 2005. In this proposal, China specifically pressed its claim on Tawang. The deal proposes that China keep not only the western sector (i.e. Aksai Chin), but also Tawang in the eastern sector; as a return, India would have the rest of the eastern sector and the middle sector.²⁹⁸ India rejected the proposal once again. It has always insisted on a sector-by-sector approach whereby the borderline in each sector is negotiated independently.

²⁹⁶ China stated explicitly its claim over Tawang in 1984 and when the Chinese expert delegation went to India to open negotiations in 1998, it particularly made the issue of Tawang a topic. Liu Chaohua, “Proceedings of Forum on China-India Border Issue (I),” 49.


²⁹⁸ Official reports on the revised swap deal cannot be found. Limited information is offered by Kuei-hsiang Hsu (Senior Secretary and Deputy Director of the Mongolian Affairs Department, MTAC) in her article “Progress on Sino-Indian Border Negotiations-the Issue of Tawang Ownership,” which is available at www.mtac.gov.tw/mtacbooke/upload/09707/0201/e1.pdf (the Chinese version of this article is available at http://www.mtac.gov.tw/mtacbook/upload/09707/0201/01.pdf).
The fact that China has shown different attitudes toward different disputed sectors—and has consistently given preference to the western sector, the more militarily strategic sector, willingly giving up the more economically valuable east—is consistent with my hypothesis that the greater the military value of disputed territory, the less likely compromise of any sort will be over that territory. This becomes clear when we realize that China has proven quite willing to compromise not in general, but only with respect to the eastern sector. The western sector remains an absolute demand.

Second, although the “Swap Deal” proposal has reappeared several times since 1960 and has been a consistent opening for cooperation, when the military value or salience of the disputed territories has increased, China on numerous occasions has ultimately turned to an escalation policy. To reiterate, China’s attempts at cooperation have prioritized military over economic territory, and the swap policy is an attempt to gain this military territory without violence. However, when violence appears necessary Beijing is clearly willing to escalate. Thus on several occasions when an increase in the perceived military value of territory was inspired by Indian proactive actions (i.e. the Forward Policy of 1961 and the “Operation Chequerboard” and “Operation Falcon” of 1986), this prompted Chinese escalation in response. Fighting subsequently gave both parties information—to India that China was not only serious, but had many military advantages; to China that full recognition of its western claims would require a much more protracted struggle. Even with won territorial gains, however, Beijing eventually pulled back and ceded conquered territory. This was because, in the short term, China’s show of strength rendered it comfortable with a favorable status quo that was less costly
than a larger war, and in which it effectively controlled the most military important territory anyway.

At this point, when there was no significant change in territorial value following the release of tension through conflict (e.g. the 1970s, 1990s and 2000s) a delaying policy toward the disputed frontiers was adopted. The economic value of the contested borderlands has not changed much over time because as explained earlier, while the western sector is barren and uninhabited high-altitude desert, the eastern sector has been underdeveloped (though it might be developed quickly, and China has the resources to do this) because of a lack of infrastructure.299

A third point is important: in the China-India case, increase of symbolic territorial value did not necessarily lead to the escalation of Chinese territorial policy that I predicted. This finding echoes the finding of Chapter 3, which shows that increase in the symbolic value of the Chinese-Russian frontier, while corresponding with an escalation policy in the 1960s, was accompanied by a cooperation policy in the 1990s. In the case of Chinese-Indian frontier disputes, the symbolic significance of the contested borderlands was various and ambiguous. Symbolic value increased when major Tibetan independent movements broke out in 1959, 1987-89 and 2008 (and before). The Chinese government pursued an escalating policy in 1962 following the Tibetan Rebellion of 1959. However, it had already turned to an escalating policy in early 1987 before the Tibetan unrest broke out in October of that year. It also did not make any aggressive change in its territorial policy when the large-scale Tibetan unrest occurred in 2008, although it added Tawang to

299 Border trade in the middle sector that resumed in 2006 has also still been slow because of policy limitations.
its interests in the “Swap Deal” in 2005 (see below). Because both the military and symbolic value of disputed territory were increasing in 1959-62 and 1986-87, one might argue that it is unclear whether increase in military or symbolic value played a crucial role in pushing China toward escalation in 1962 and early 1987. However, given that at the time Beijing was consistently willing to concede Tawang to India as part of the “Swap Deal,” this suggests that symbolic political value played a minimal role.

The change in policy in 2005, however, in which Beijing in the newly proposed “Swap Deal” asks specifically for Tawang but nothing else in the eastern sector (maintaining its claims in the west of course), may indicate one instance in which symbolic political value did shape Chinese policy fundamentally, albeit not in the direction of escalation. Well prior to 2005 China had faced increased political pressure from within and without concerning the Tibet issue, and in 2005 Beijing hoped both to resolve the territorial situation in Tawang and increase its political leverage and legitimacy at home through this new Swap Deal compromise. But the compromise deal did not happen, and in 2008 large scale Tibetan unrest broke out.

Why hasn’t the Tibetan unrest of 2008 led China to more aggressively pursue escalation in areas like Tawang, as I have predicted? One key factor to consider was the scale of protests at home. Compared to previous Tibetan unrest, the unrest of 2008 were much more geographically widespread. Earlier protests had taken place mainly in Lhasa, the center of Tibet, whereas protests in 2008 covered much of the Tibetan plateau and areas outside of the Tibet Autonomous Region, such as Qinghai, Sichuan and Gansu

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Province (see Map 4.7). When protests broke out in Lhasa in March 2008, the widespread use of cellphone and internet technology in Tibet allowed the information to travel rapidly to Tibetans who had newly arrived in exile in India or the West, and link them with relatives or friends in their home areas.  

Second, the participants of 2008 came from a much wider range of social classes and vocations than in earlier mass protests. Over 90 percent of the earlier political protests involved mainly monks and nuns, while the majority of the protestors in 2008 were laypeople (see Figure 4.5).

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**Map 4.7 Map of Tibetan Protests of 2008**


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Facing such a situation, the last thing Beijing wanted to see was the protests get more widespread and garner more international attention, to say nothing of an escalating border war. Beijing was going to hold the Summer Olympic Games in August 2008 and was desperate for a peaceful and stable environment. An escalation on the Chinese-Indian frontier disputes would only stir up stronger anti-Chinese sentiment and protests inside and outside Tibet. Put differently, the symbolic costs of escalation with India during times of protest would far outweigh the gains, for the acquisition of Tawang would only be a gift to the Tibetan people, assuming they would ever receive it that way, in times of peace. This was probably why China attempted to negotiate for Tawang in 2005, before another mass unrest broke out. Therefore, Beijing stuck to the delaying territorial policy when the symbolic value of the disputed frontier lands increased in 2008.
4.5 Looking Back and Ahead

Part II of this dissertation has studied two major Chinese frontier disputes – the Chinese-Russian frontier disputes and the Chinese-Indian frontier disputes. My findings in these two studies are generally consistent with my hypothesis—that is, when the economic value of the contested lands increased and military value declined, China adopted a cooperative territorial policy (1950s in Russia and 1986-2004 in Russia); when military value increased, China turned to an escalation territorial policy (1960s in both cases, and 1986-89 in the Chinese-Indian case); and when there was no significant change in territorial value (other than symbolic), a delaying policy was applied (1970s in both cases and 1990-current in the Chinese-India case). These conclusions hold especially if we ignore changing symbolic value. In other words, compared to the effects of changes in the economic and military value on Chinese policy, changes in symbolic value appear to have played a far weaker role on Chinese territorial policy than my theory predicted. When we ignore the predicted effects of rising symbolic value, my predictions regarding economic and military values hold true.

In Part III I examine two major Chinese offshore island disputes – the several island disputes between China and Vietnam (Chapter 5), and the Chinese-Japanese Diaoyu Island disputes (Chapter 6). I will specifically consider the extent to which the findings of these two disputes are consistent with those of the Chinese frontier disputes; and what might lead there to be differences between the two types of territorial disputes.
PART III CHINESE OFFSHORE ISLAND DISPUTES

As a coastal state, China has an 18,000-kilometer-long coastline and shares the Yellow Sea with North Korea and South Korea, the East China Sea with South Korea and Japan, and the South China Sea with Vietnam, the Philippines, Indonesia, Malaysia, and Brunei.

Because the maritime boundaries between China and its neighboring states were not demarcated when the Communist regime was founded in 1949, the new Chinese government has contested with its neighbors over four offshore island groups, namely, the Diaoyu Islands in the East China Sea, the White Dragon Tail (Bailongwei) Island in the Gulf of Tonkin (Beibu), and the Paracel (Xisha) and the Spratly (Nansha) Islands in
the South China Sea.\footnote{In the South China Sea, China actually claims sovereignty over four groups of islands, namely, Paracels (Xisha), Spratlys (Nansha), Pratas (Dongsha) and Macclesfield Bank (Zhongsha). The discussion in this chapter focuses on the contest over the Paracels and the Spratlys. The Pratas and Macclesfield Bank have been contested only by the two rival Chinese governments, People’s Republic of China (PRC) and Republic of China (ROC), which are in the competition for authority over the whole of China. Moreover, the Pratas are located much closer to China and consist of only one islet (only 6 km long and 2 km wide) and two small banks; the Macclesfield Bank is a wholly submerged atoll. The disputes over these two island groups are less complicated or controversial than those over the Paracels and Spratlys; and should get resolved as the Mainland-Taiwan issue is settled. The Scarborough Shoal/Huangyan Island, located between the Macclesfield Bank and the Luzon Island of the Philippines, are claimed by the PRC, ROC and the Philippines. China sees Huangyan Island part of the Macclesfield Bank.} Hinging on these territorial claims are the rights to vast Exclusive Economic Zones (EEZs) and their continental shelves.\footnote{According to the UNCLOS, one feature must remain above sea at high tide and be capable of sustaining human habitation in order to have exclusive economic zone and continental shelf. According to the United Nations Convention on the Law of the Sea (UNCLOS III), a state has special rights over the exploration and use of the undersea resources, primarily fishing and seabed mining in the exclusive economic zone (up to 200 nautical miles from the baseline) and also have exclusive control over the continental shelf in regard to the exploration, conservation and exploitation of the non-living resources of the seabed and its subsoil, and the living resources “attached” to the continental shelf (up to 350 nautical miles from the baseline). Thus, the EEZ overlaps (in any case partially) with the continental shelf; the EEZ focuses on the water column and (primarily) living resources (except wind energy and salt extraction) and the continental shelf on the seabed and non-living resources (exception sedentary species). When EEZs would overlap (i.e. state coastal baselines are less than 400 nautical miles (740 km) apart), it is up to the states to delineate the actual maritime boundary. UNCLOS Article 74 envisions that opposite or adjacent States will delimit exclusive economic zones that would overlap “by agreement on the basis of international law.”}

Unlike the flexible policies toward most of its land border disputes, Chinese policies toward the offshore territory disputes have been quite stiff. In fact, China has compromised in only one offshore island dispute, that over the White Dragon Tail Island with Vietnam, while either delaying or using force in disputes over the Diaoyu, Paracel and Spratly Islands since 1949.\footnote{Through secret settlement agreement China conceded the whole White Dragon Tail Island to North Vietnam in 1957.} As a result, among five existing unsettled Chinese territorial disputes, three are over offshore territories.\footnote{Another two unsolved disputes are the Chinese-Indian and Chinese-Bhutanese borderland disputes.} Since 2009 disputes in the South and East China Sea have become especially intense. Concerns over open conflicts

In Part III of this dissertation, Chinese offshore island disputes with Vietnam and Japanese are closely examined. Study of these two cases is useful for understanding (a) why some Chinese offshore island disputes have been in deadlock for many years, (b) when and why China has used force to contest some islands and not others, (c) why China compromised in full over the White Dragon Tail Island with Vietnam, and (d) why economic-resource cooperation has failed in most cases despite having great potential.
CHAPTER 5: CHINESE-VIETNAMESE OFFSHORE ISLAND DISPUTES

In addition to their borderlands, China and Vietnam have contested over three groups of offshore territories, namely the White Dragon Tail Island, the Paracel Islands and the Spratly Islands. China’s policies regarding these islands have varied: China has adopted different policies toward each dispute at the same time, and different policies toward the same dispute at different times. Thus, a close examination of these disputes allows us not only to study the variation in China’s policy toward multiple territories by holding domestic and international variables relatively constant, but also to study variation in the roles of domestic and international variables as they affect territorial values and influence policy towards a single territory over time.

This investigation is useful for answering two important questions – First, why did China peacefully concede the White Dragon Tail Island to Vietnam while resolutely holding its claim toward the Paracels and Spratlys and engaging in armed conflicts over these two archipelagoes? This question becomes especially puzzling when considering that White Dragon Tail is geographically much closer to China’s shore and much larger than any feature of the Paracels and Spratlys. Second, noting that Chinese government statements have used roughly the same language to describe China’s sovereignty claim over the Paracels and Spratlys since the 1950s, why did China decide to use force over

306 A territorial dispute is defined as conflicting claim by two or more states over the ownership of the same piece of land. This definition includes offshore islands but excludes disputes over maritime rights, such as EEZs. Thus, this chapter studies the contest between China and Vietnam over disputed islands but not the EEZs, associated with these islands. Nevertheless, according to United Nations Convention on the Law of Sea (UNCLOS) the sovereignty of one island comes with the ownership of its EEZ, so when the value of one disputed island is examined in this chapter, the value of its EEZ is also taken into consideration.
the Paracels in 1974 and the Spratlys in 1988, while adopted a delaying and tolerance policy toward these islands the rest of time? What explains their timing?

In this chapter, I first study the case of the White Dragon Tail Island because China made concessions of White Dragon Tail as early as 1957. My analysis focuses on what the value of the White Dragon Tail was for the Chinese in the mid-1950s and how the territorial value further led to China’s compromise policy in 1957. Then, I examine the disputes over the Paracels and Spratlys over the past several decades. Through analyzing the territorial value of the Paracels and Spratlys for China at each stage, I investigate if and how the value of territories explains China’s specific territorial policies.

These case studies show that my theory of territorial values and policies has limited power in explaining the evolution of Chinese offshore island disputes. The White Dragon Tail case indicates that my hypothesis that an increase in the military value of contested territory likely leads to the escalation of dispute may not apply to cases where the territorial disputants are allies. When alliance is involved, escalation of the dispute can be avoided as the military value of the disputed territory increases, because the military value of the territory can be shared between allies. The Paracels and Spratlys Cases indicate that in contrast with my hypothesis that an increase in military territorial value likely leads to policy escalation (and a decrease the opposite), the Paracel and Spratly disputes escalated when the military value (or salience) of the islands actually decreased. Opportunism rather than territorial value has played a decisive role in Chinese policy toward the island disputes.
5.1 The White Dragon Tail Island

The Gulf of Tonkin is a shared water area between China and Vietnam; and the White Dragon Tail Island (Bai Long Wei in Chinese and Bach Long Vi in Vietnamese) lies almost in the middle of the gulf, roughly 110 km from the nearest Vietnam coast and 130 km from China’s Hainan Island (See Map 5.1). In 1955 the Vietnam War broke out between North Vietnam, supported by its communist allies, and South Vietnam, allying with the United States and other anti-communist countries. In 1957 Chinese leadership led by Mao Zedong decided to hand over the White Dragon Tail Island to North Vietnam. Little on this matter has been available for the public, but we can explore the reasons behind Mao’s decision by investigating the territorial value of White Dragon Tail in the mid-1950s.

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307 The location of the White Dragon Tail Island is 20°08’ N, 107°44’ E.

308 This transfer is explained by the Vietnamese side by noting that the island was under Chinese trusteeship for a time and recovered by Vietnam in 1957. Even if this is true we still need to understand why Chinese leaders agreed to hand over the island when North Vietnam requested it, especially when considering not only China was much stronger than North Vietnam but also North Vietnam was greatly dependent upon China’s military, economic and political support at that time. See Vietnamese Foreign Ministry, “Hoang Sa and Truong Sa and International Law,” April 1988, translated in International Law Materials, ed. Chinese Society of International Law (Beijing: Law Press, 1990), 161. Zou Keyuan, “Maritime Boundary Delimitation in the Gulf of Tonkin”, Ocean Development and International Law 30 (1999), 235-54.
5.1 Location of the White Dragon Tail Island in the Tonkin Gulf

Map 5.1 Location of the White Dragon Tail Island in the Tonkin Gulf

Source: http://files.myopera.com/giaviendialy/blog/untitled231.bmp The median line of the Tonkin Gulf is drawn in the map.

5.1.1 Economic Value of the White Dragon Tail Island

The size of White Dragon Tail is approximately 5 square kilometers. Its middle is a saddle-shaped plateau, which is about 58 meters above sea level, covered by long grass and surrounded by flat sandy beaches. The island itself has limited freshwater resources, arable soil and other natural resources, but the waters around it are a major nursery and harvesting area for fish eggs and rich in precious marine mollusks (particularly abalone and sea cucumber) and other valuable fish (e.g. Red Snapper and grouper). Indeed, the whole Gulf of Tonkin is one of the main fishing grounds for both China and Vietnam. Therefore, although petroleum resources were not discovered in the gulf until the late 1970s, the White Dragon Tail Island was still economically valuable for both sides because of the marine products harvested around the island and its function as a fishing base.

It is possible that China’s then-leadership believed that the concession of White Dragon Tail would not affect China’s economic gain in the Tonkin Gulf much, because,
first of all, Chinese leadership understood that due to the close bilateral relationship (it went sour in the early 1970s) Chinese fishermen would be allowed to fish in the gulf as freely as they had done before. In fact, with better fishing equipment, Chinese fishermen had been actually getting a bigger share of the marine products in the gulf. And even if the international norm of territorial sea sovereignty were applied to White Dragon Tail, the concession of White Dragon Tail would not significantly affect China’s maritime rights in the gulf, because the width of territorial sea was defined as only 3 nautical miles at that time. In other words, the significance of White Dragon Tail for demarcating the gulf and securing maritime rights was not a major concern for China’s leadership.

5.1.2 Military Value of the White Dragon Tail Island

The strategic location of White Dragon Tail Island contributed to its military value. Being located in the center of the gulf, the White Dragon Tail Island could work as an important outpost for either side, China or Vietnam. With the outbreak of the Vietnam War in 1955, White Dragon Tail became a key transportation center, via which Chinese weapons and other resources (e.g. food, clothes and medicine) were transferred to North Vietnam. According to recently released information, 75% of Chinese aid supplies

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309 A nation’s sovereign territorial sea had been 3 nautical miles wide from the baseline of its coast or islands till 1982, when the United Nations Convention on the Law of the Sea (UNCLOS) extended this limit to 12 nautical miles and defined a 200-nautical mile exclusive economic zone for a coastal nation – a state has special rights over the exploration and use of the undersea resources, primarily fishing and seabed mining, for a distance of 200 nautical miles from its shore.

were secretly transported from Hainan Island to Vietnam before 1965, but how much of these supplies were transferred at the White Dragon Tail Island is not clear.\(^\text{311}\)

In addition, the White Dragon Tail Island was used as a military base. Radar, air defense positions and communication stations were built on the island in the 1950s to block air and naval forces from the South and provide early warning to the populace and troops in Hai Phong (the third most populace city in Vietnam) and other coastal cities of North Vietnam.\(^\text{312}\) In fact, when the Vietnam War escalated after 1965, the island’s entire population was evacuated to the mainland of North Vietnam and the island was only housed to armed force.\(^\text{313}\) Therefore, White Dragon Tail became more militarily important during the Vietnam War, particularly for North Vietnam.

Under such a situation, China’s leadership probably believed that it was strategically wise to transfer White Dragon Tail to North Vietnam, because that could allow North Vietnam to fully take advantage of the island against the French forces, and later on the American ones, without implying that China had officially joined in the war or making Chinese territory a direct target for Western forces.\(^\text{314}\) Few sources exists to support the notion of such a strategic concession, but that Mao secretly ordered Chinese

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\(^{313}\) More information is available at http://www.panoramio.com/photo/40839328.

\(^{314}\) Interviews with Zha Daojiong Yu Tiejun and Jia Qingguo, Professors at Peking University, Beijing, September 2010.
troops to wear the North Vietnamese uniform and fight alongside the Vietnamese communists in the war makes this a most likely possibility. Indeed, during the early French Indochina War (1950-54), China had already become involved and fully supported Vietnamese communists by providing numerous military, economic and financial forms of aid. Groups of experienced high-ranking PLA commanders were sent to Vietnam to help organize military campaigns. Still, “Although the scope of aid was large, no troops were sent directly. It was different from the decisions made later to resist U.S. aggression and aid Korea.” Thus, it is very likely that China transferred White Dragon Tail to North Vietnam in order to assist their Communist brothers in the early stage of the Indochina War. As the war prolonged, China got involved more directly. “On 9 June 1965, the first group of Chinese volunteer forces marched into Vietnam. Thus began the Chinese military operation in support of Vietnam.” In *The Chinese Calculus of Deterrence*, Allen Whiting stated that while China’s troops did not participate openly in the fighting, “Chinese aircraft shot down at least nine American planes and Chinese anti-aircraft divisions in North Vietnam took an additional, albeit unknown, toll.”

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5.1.3 Symbolic Value of the White Dragon Tail Island

Turning to symbolic value, the ethnic or religious significance of the White Dragon Tail Island was low. Fishermen along the Tonkin Gulf had traditionally used the island as a base for offshore fishing and storm shelter.\(^\text{319}\) It was reported that one temple on the island contained two statues, one being of Mazu (also known as the Tianfei Goddess), who is a sea deity for Chinese and is believed to protect fishermen and sailors, and another of Mayuan (also known as the Fubo general), who was the leader of Chinese troops to northern Vietnam in the Han Dynasty.\(^\text{320}\) They were built and worshipped as patrons of the seas by local fishermen. For the locals, then, White Dragon Tail was a piece of land and shelter floating in the gulf with some symbolic meaning;\(^\text{321}\) while for the rest of Chinese, who were not living along the Gulf of Tonkin, White Dragon Tail was a small island that they had seldom heard of. In fact, there were no permanent residents on the island until the mid-19\(^\text{th}\) century, when some Chinese emigrated from Hainan and built a small fishing village on the island.\(^\text{322}\) According to internal Chinese

\(^{319}\) In the 1930s when China was struggling with Japanese full-scale invasion, France controlled White Dragon Tail and established a sentry post and the village major regime on the island in 1937. Although Japan seized this island from the French administration in 1943, France reoccupied the island in 1946 following the Japanese surrender. After the Geneva Conference of 1954, the French withdrew from Indochina. In 1955 Chinese government sent troops to White Dragon Tail and recovered its control of the island.


\(^{321}\) The Chinese and Vietnamese fishermen, living along the Tonkin Gulf, used to call the White Dragon Tail Island Fushui (meaning floating in the waters) Isle (Fushuizhou in Chinese and Phuthuychau in Vietnamese).

\(^{322}\) According to Chinese scholars’ research, a small Chinese fishing village had already inhabited on the island for almost a hundred of years before the People’s Liberation Army of China took the possession of the island in 1955; according to the Vietnamese official report, there were no permanent inhabitants on the island until 1920, when the source of fresh water was found and people from Hainan Island (China) and
government sources, there were 267 Hainan inhabitants on the island in 1957 and they were evacuated back to Hainan Island before the hand-over.\textsuperscript{323}

Yet the Chinese leadership did perceive some special political significance of the White Dragon Tail Island at that time. For them, the concession decision on White Dragon Tail symbolized the solidarity of Chinese-Vietnamese brotherhood and showed the communist world China’s strong support toward its allies. Particularly for Mao Zedong, who was influenced by socialist idealism, territorial sovereignty was less important than defending an ideological ally.\textsuperscript{324}

5.2 China’s Territorial Policy Toward the White Dragon Tail Island

Leaders of modern states are likely to be penalized at home for losing territory, because territory is the most basic and important interest of states. Losing territory sends a strong signal of weakness, that under this leadership the entire homeland may be under threat. Therefore, Chinese leaders had to handle the White Dragon Tail issue “delicately” to avoid stimulating nationalist sentiments and reduce the potential negative reaction from the masses, even though the piece of territory in this case was not of strong ethnic or religious significance for the Chinese populace.

As a result, the hand-over of the White Dragon Tail Island has never been reported to the Chinese public; little is known about whether the two governments


\textsuperscript{324} Fravel, \textit{Strong Borders, Secure Nation}, 269.
officially signed a treaty when the White Dragon Tail Island was transferred in 1957, or whether the two sides made a swap-deal at that time, namely, a deal that China would trade control of White Dragon Tail for North Vietnam’s 1958 decision to recognize China’s claims to the South China Sea islands that South Vietnam also claimed. I looked through the archives (1949-2011) of *Renmin Ribao* [The People’s Daily], the *Guangming Ribao* [The Guangming Daily] and *Cankao Xiaoxi* [The Reference News], the three most important national newspapers in China, and the earliest reports that mentioned the White Dragon Tail Island were published in March 1965, eight years after the secret hand-over. More importantly, these reports did not say a word regarding the 1957 transfer, but explicitly recognized White Dragon Tail as Vietnamese territory by speaking highly of how the Vietnamese troops and civilians on Vietnam’s White Dragon Tail Island fought bravely against the U.S. air forces.

The White Dragon Tail Island has been seldom mentioned in Chinese public media since then. It recently drew some attention from the Chinese populace because of its role in the delimitation of the Gulf of Tonkin. In fact, based on limited available information on the delimitation negotiations between China and Vietnam, the sovereignty of White Dragon Tail did not seem to be a major disputed issue; instead, the two parties contested over whether the prolonged line of 108°03’ E. longitude should be the maritime boundary line in the Tonkin Gulf (according to this line, 2/3 of the gulf would be

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325 M. Taylor Fravel addresses that although no sources exist to support the notion of such a swap, the timing of Hanoi’s decision in 1958 suggests it is quite possible. Fravel, *Strong Borders, Secure Nation*, 269.

Vietnamese) and how much weight the White Dragon Tail Island should play in delimitating the EEZ and continental shelf.\textsuperscript{327} In the end the two parties both made compromises – the Gulf of Tonkin is divided basically equivalently and the White Dragon Tail Island remains Vietnamese with a 25\% effect (on the delimitation line), thus it has a 12-nautical-mile territorial sea and a 3-nautical-mile EEZ and continental shelf.

\textbf{Map 5.2 Delimitation Line and Joint Fishery Zones in the Tonkin Gulf (2000)}

\textsuperscript{327} Following the Chinese-French War of 1884-1885, China (Qing Dynasty) and France signed the “Convention respecting the Delimitation of the Frontier between China and Tonkin” in 1887. This convention proposed a line that goes along the 108°03’ East Longitude. In the negotiations of the 1970s, two sides proposed different interpretations of this line. Vietnam stated that the waters and islands that are located to the east of 108°03’ line belong to China and those, situated to the west of the line, belong to Vietnam, while the Chinese side argued that this line was a dividing line just for the area near Mangjie (not the whole Tonkin Gulf), and it was restricted to the division of ownership of islands within this area (not of the waters). This divergence was the major obstacle for solving the disputes between China and Vietnam over the Tonkin Gulf. The English version of the 1887 Chinese-French convention is available at http://www.chinaforeignrelations.net/node/167. For more discussion on the disputes over the maritime rights and delimitation of the Tonkin Gulf, see Shen Guchao, “Guanyu Beibuwan de ‘Lishixing Shuiyu’ [On the Historical Waters in the Tonkin Gulf],” \textit{Zhongguo Bianjiang Shidishi Yanjiu} [Chinese Borderland History and Geography] 10 (2000): 44-59; Li Jinming, “Zhongfa Kanjie Douzheng he Beibuwan Haiyu Huajie [The Chinese-French Boundary Contest and the Delimitation of the Tonkin Gulf],” \textit{Nanyang Wenti Yanjiu} [Southwest Asian Affairs] 2 (2000); Nguyen Hong Thao, Maritime Delimitation and Fishery Cooperation in the Tonkin Gulf, \textit{Ocean Development & International Law} 36 (2005): 25-44; Zou Keyuan, “Maritime Boundary Delimitation in the Gulf of Tonkin,” \textit{Ocean Development and International Law} 30 (1999): 235-54.

\textsuperscript{328} Vietnam has obtained 53.23\% and China 46.77\% of the gulf area.
Again, no specific words address the sovereignty of White Dragon Tail in these signed agreements on the gulf limitation, but the definition of the delimitation line in the Tonkin Gulf indicates that the White Dragon Tail Island lies on Vietnam’s side of the line. Moreover, a series of Chinese government activities following the signing of these agreements indicate that China’s government has officially recognized that the White Dragon Tail Island belongs to Vietnam. For example, Chinese fishermen are told by their government that they can no longer fish within a zone that is 15-nautical miles around the White Dragon Tail Island (corresponds to the blank circled in Map 5.2).

More importantly, the White Dragon Tail Island has no longer been part of China in the maps that China has published since 2006. In addition, Xinhua News Agency, the official press agency of the central government of China, published one report, titled “The delimitation of the Tonkin Gulf can be used as a model, the White Dragon Tail Island has belonged to Vietnam,” on 5 August 2004. According to my research, this was the first time in history that Chinese officers confirmed the sovereignty of White Dragon Tail via China’s official media. The report says:

In terms of the attribution of the White Dragon Tail Island, the journalist from The International Herald Leader interviewed Li Guoqiang, the deputy leader of the center of Chinese Borderland History and Geography. Li Guoqian explicitly stated: “The White Dragon Tail Island, via negotiations, has already been put under the administration of Vietnam since the 1950s [emphasis added].”

In this report, Xu Sen’an, the former senior engineer at the State Oceanic Administration of China, stated that “The White Dragon Tail Island belongs to Vietnam.” And one

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329 This point is confirmed by one report that was posted on the website of Guangming Ribao on 3 August 2004. The report was originally published by Beijing News. Guangming Ribao is the CCP’s official newspaper, operated under the direct leadership of the Propaganda Department of the CCP Central Committee. “The Chinese-Vietnamese Agreement on the Delimitation of the Tonkin Gulf is a Win-Win Result,” Guangming Ribao, 3 August 2005.
governor at the Ministry of Foreign Affairs of China explicitly confirmed: “The White Dragon Tail Island indeed belongs to Vietnam.” Thus, about four decades after the subtle transfer, the fact of Chinese concession of the White Dragon Tail Island to Vietnam was finally revealed to the public.

5.3 Discussion

The case of White Dragon Tail indicates that my hypothesis that an increase in the military value of contested territory likely leads to the escalation of dispute may not apply to cases where the territorial disputants are allies. When alliance is involved, escalation of the dispute can be avoided as the military value of the disputed territory increases, because the military value of the territory can be shared between allies. The allied disputants are more willing to make compromises over the disputed territory especially when they are under security threat from one or multiple common enemies. In the case of White Dragon Tail, the military importance of the island increased greatly with deepening U.S. involvement in South Vietnam and tightening anti-communist encirclement from the south. Thus, China and its Communist ally, North Vietnam, were both facing the challenge from the anti-Communist US-South Vietnamese coalition. Under these circumstances, China conceded the island to North Vietnam. Chinese leadership believed that “strengthening an ally through a territorial concession is more

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330 Zhu Kang, “Beibuwan Huajie Kezuo Jiejian, Bailongweidao Huagui Yuenan [The Delimitation in the Tonkin Gulf Can Be Used as a Model, the White Dragon Tail Island Belongs to Vietnam]”, The International Herald Leader, 5 August 2004. The International Herald Leader is published by the Xihua News Agency of China.
important than holding out for whatever value the island might have in the future," \(^{331}\) and hoped that the territorial concession could keep China from another direct conflict with the U.S., after they confronted each other in the 1950-53 Korean War and the 1954-1955 Taiwan Strait Crisis. The symbolic value of White Dragon Tail was low for the Chinese populace at the time, and Chinese leaders believed that handing over White Dragon Tail to Hanoi could show their fraternal relationship and China’s firm and generous support to its ally, thereby building up its reputation in the communist world. Still, Beijing also hedged its symbolic bets, and was careful to limit publicity of this concession.

The case of White Dragon Tail is consistent with my hypothesis that the high economic value of disputed territory does not prevent resolving the dispute peacefully, and an increase in economic value drives a more cooperative territorial policy. The White Dragon Tail Island as well as the whole Gulf of Tonkin are full of economic value and have become more and more valuable. In late 1973, 16 years after China gave away the White Dragon Tail Island, the territorial delimitation of the Gulf of Tonkin emerged as a disputed issue between North Vietnam and China. Hanoi proposed opening official negotiations with Beijing over the gulf. At the time the Vietnam War moved to its end with the North winning the war, and Hanoi became less dependent upon aid from China. Before that, the delimitation of the Tonkin Gulf had never been an issue and the two parties had been fishing peacefully in the gulf based on the fishery cooperation agreements that they signed in 1957, 1961 and 1963. \(^{332}\) Beijing accepted Hanoi’s request

\(^{331}\) Fravel, *Strong Borders, Secure Nation*, 376.

\(^{332}\) The 1957 agreement states that two sides can fish freely and explore jointly in the Tonkin Gulf except the area that is 3-nautical-mile-wide from the other side’s coast; when one side fishes in the 3-nautical-mile-wide restricted area, it must get the permission from the other side and also pay tax to the other side.
and subsequently, negotiations on maritime delimitation were held in 1974 (August 15 to November 22), 1977-1978 (October 1977 to June 1978), and 1992-2000 (December 1992 to December 2000). No actual progress was made until the early 1990s, when the boundary (both land and maritime) disputes greatly hindered border trade, economic cooperation, and resource exploration in the Tonkin Gulf. Under the pressure of economic development, both sides agreed to divide the Gulf of Tonkin basically equivalently and peacefully.\(^{333}\) Vietnam has obtained 53.23% and China 46.77% of the gulf area. Meanwhile, the two parties set a Transitional Fishery Zone and a Common Fishery Zone in the gulf. The Transitional Fishery Zone covers most of the fishing grounds of high productivity in the Gulf. This is set to allow Chinese fishermen to have time to adjust their fishing patterns to the new and changed conditions. The Transitional Fishery Zone lasts for 4 years and the Common Fishery Zone first lasts for 12 years, then for another 3 years automatically afterwards. A Joint Fishery Committee was established by the agreements as well, which has authority to take binding conservation and management measures to ensure that fish stocks do not become endangered through overfishing. Since then, the two sides have shared the resources in the Gulf of Tonkin and jointly developed the economic benefits in this region. A larger joint fishery zone is

favorable for China since most of the good fishing grounds are located within Vietnam’s EEZ.  

### 5.4 The Paracel and Spratly Islands

The Paracel (Xisha in Chinese and Hoang Sa in Vietnamese) and Spratly (Nansha in Chinese and Truong Sa in Vietnamese) Islands are two groups of islands in the South China Sea (See Map 5.3). The center of the Paracels is approximately midway between the southern coast of the Chinese island of Hainan (about 350 km southeast of Yulin harbor) and the central Vietnam coast (about 400 km east of Da Nang); the center of the Spratlys is about 1000 km away from Hainan and about 650 km away from the southern Vietnamese coast. The Paracels contain 23 features (islands, rocks, reefs, and shoals), which are generally subdivided into two principal groups – the Crescent Group in the west and the Amphitrite Group in the east; while the Spratlys contains more than 230 features that are widely scattered. The Paracels have been claimed by China, Vietnam

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335 The traditional claim line/Nine-dash Line forms a U-shape (the red line on Map 5.3) and encloses the main island features of the South China Sea, including the Paracels and Spratlys. In May 2009 China submitted a *Note Verbale* with a map to the Secretary General of the United Nations. This map shows the U-Shape Line was produced by the Chinese Nationalist government in 1947. It was the first time that China submitted a map to the UN in support of its claims. See Michael Swaine and Taylor Fravel’s “China’s Assertive Behavior, Part Two: The Maritime Periphery”, *China Leadership Monitor* no. 35 (Summer 2011).

336 The specific location of the Paracel Islands is 16°30’ (between 15°46’ and 17°8”) N. Latitude and 112° (111°11’ and 112°54”) E. Longitude; and the location of the Spratly Island is 10° (between 4° and 11°30’) N. Latitude and 114° (109°30’ and 117°50”) E. Longitude.
and Taiwan; all or parts of the Spratlys are claimed by 6 parties, including China, Vietnam, the Philippines, Malaysia, Taiwan and Brunei (Map 5.4).  

Map 5.3 the Paracel and the Spratly Islands

Map 5.4 the Spratly Features, Their Occupants as of 1996, and Jurisdictional Claims

Source: http://foreignpolicyblogs.com/2010/02/13/3149/china-claims-paracel-spratly-islands/

Source: www.middlebury.edu/SouthChinaSea

5.4.1 Economic Value of the Paracels and Spratlys

The economic value of the Paracels and Spratlys comes from three sources. First, the Paracels and Spratlys have certain inherent economic value, which mainly comes from:

from the guano deposits (in addition to coconut palms, sea turtles and swallows’ nests) on the islands.\textsuperscript{338} Second, the waters surrounding the islands are rich in a great variety of edible fish and other marine products, so the major features of the Paracels and Spratlys have been used as fishing bases and storm shelters by Chinese fishermen for centuries. Third and more importantly, the South China Sea, lying between the Pacific and the Indian Ocean, is a gateway to the outside world for China. The main trans-oceanic shipping lanes which run across the South China Sea link southern China with Southeast and Southwest Asia and the West. In old times these lanes functioned as a ‘Maritime Silk Road,’ through which Chinese silk and ceramics were exchanged for Southeast Asian spices or Arab frankincense (see Map 5.5).\textsuperscript{339} The Paracels and Spratlys, occupying a position central to the shipping lanes, served as important coaling stations, navigational aids or naval bases (see Map 5.6), and therefore played a critical role in maintaining China’s international trade and communication.\textsuperscript{340}

\textsuperscript{338} Guano is used to produce high quality fertilizers. According to Dieter Heinzig (1976), guano on some islands has accumulated to a height of up to 1 meter. The Paracel and Spratly Islands are major nesting areas for migratory sea tortoise. According to Chinese historical literature, fishermen from Hainan Island visited the islands in the South China Sea often to collect the nest and eggs of swallows, the flesh, eggs and shells of sea turtles. Swallows’ nests are the basic substance of a soup in great demand throughout East Asia.

\textsuperscript{339} The main trading route went along the coast of China, past Taiwan and Hainan, down the coast of the Indochinese peninsula, then across the Gulf of Thailand to the Malacca Straits. Stein Tonnesson, \textit{An International History of the Dispute in the South China Sea} (EAI Working Paper No.71), 2001.

\textsuperscript{340} The small reefs and shoals of Paracels and Spratlys, however, had been primarily conceived as a danger to navigation and historically labeled on the nautical charts simply as “Dangerous Ground” for mariners to avoid. Esmond Smith, Jr. “China’s Aspirations in the Spratly Islands,” \textit{Contemporary Southeast Asia} 16, no. 3 (December 1994); Stein Tonnesson, \textit{An International History of the Dispute in the South China Sea}.
5.4.2 Change in the Economic Value

Figure 5.1 the Evolution of the Economic Value of the Paracels and Spratlys

<table>
<thead>
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The strategic position of the islands for China’s economic development was not fully recognized by Chinese leaders before the 1970s. The attitude of not paying sufficient attention to the economic value of the islands was related to four factors at that time. First, because of the United Nations’ economic embargo and Mao’s “self-reliance” policy, China maintained a weak economic relationship with the world in the Mao era. After China entered the Korean War in 1950, the American-led United Nations implemented a complete embargo against China, which forbade all financial transaction with China and prevented China from developing economic ties with capitalist states and markets. The embargo was not lifted until the 1970s. As a result, China relied heavily on Soviet loans, technicians and project investment in the 1950s. When Chinese-Soviet
relations soured in the early 1960s, Mao elevated “bitter struggle, self-reliance” [jianku fendou, zili gengsheng] as the core value of China’s economic development. As a result, China’s foreign trade was minimal during this period of time; the Chinese saw low economic value of the disputed islands as well as the communication lines in the South China Sea.

Second, Mao Zedong launched a series of nationwide political campaigns during his leadership, including the Three-Anti/Five-Anti campaigns (1951-52), the Hundred Flowers campaign (1956-57), Anti-rightist Movement (1957-59), the Great Leap Forward (1958-61), the Cultural Revolution (1966-76), and etc. Therefore, Chinese leaders and the masses were constantly occupied by radical political movements and managed to secure their positions and even life through political struggles. Under such a situation, China’s economy generally stagnated (particularly during the ten-year Cultural Revolution) and little attention was put on the exploitation of the South China Sea region.

Third, as explained in the case of White Dragon Tail, it was not until 1982 that the territorial sea limit of each island was officially and legitimately extended to 12 nautical miles and the maritime rights over the 200-nautical mile EEZs and continental shelf were officially defined. Before that, coastal states were allowed under traditional international law to have only 3-nautical mile territorial sea rights, and there were no such maritime zones as EEZs or continental shelves to which sovereign states could claim title. As a result, the economic value attached to the disputed South China Sea islands was not significant until 1982.

Last but not least, the lack of technologies for offshore oil exploration and production made it impossible or commercially unviable to consider drilling in the
Paracel and Spratly region at that time. In 1968 an extensive undersea seismic survey was conducted under the sponsorship of the United Nations Committee for Coordination of Joint Prospecting for Mineral Resources in Asian Off-shore Areas. The results of the survey indicated the presence of large petroleum deposits under the seabed of the surrounding waters. Yet, technological problems posed by the water depths around the Paracel and Spratly Islands made it impossible to exploit these resources. At that time, China made exclusive emphasis on onshore exploitation, and Chinese offshore petroleum production was limited to the shallow sea areas in the Gulf of Bohai in northeast China.\(^3\)\(^4\)\(^1\) In fact, China’s drilling capabilities had for long been limited to depths of less than 300 meters (the water-depths of offshore drillings are generally above 300 meters)\(^3\)\(^4\)\(^2\) and it was not until May 2012 that the first Chinese independent deep-water drilling rig (Hai Yang Shi You 981) started operating in the South China Sea.\(^3\)\(^4\)\(^3\) In fact, even today as oil prices increase and exploration capability improves, the size of reserves must be very large to justify the expense of deep-water drilling.\(^3\)\(^4\)\(^4\) Therefore, the influence of the 1968 oil discovery on the Spratly clashes of 1974 should not be exaggerated. “An economic imperative for China to undertake exploration in the South China Sea would

\(^{341}\) In 1970 China built its first mobile rig, the Bohai No.1, with Romanian assistance. This rig is capable of operating in water depths only up to 43 meters. Marwyn S. Samuels, *Contest for the South China Sea* (Methuen 1982), 160; and Bobby A. Williams, *The Chinese Petroleum Industry: Growth and Prospects*, Joint Economic Committee of the US Congress (1975), 230-8.


not have appeared urgent in the early 1970s, as the onshore production was still booming."345 “It would be an over-simplification to suggest that a desire for petroleum riches is the governing factor accounting for China’s determined posture with respect to territorial disputes in the South China Sea.”346 “The South China Sea disputes are not primarily about oil but about the islands’ strategic significance and sovereignty claims thereto.”347

A substantial increase in the economic value of the disputed islands happened in the 1980s due to three key factors: (1) the 1982 United Nations Convention on the Law of Sea, (2) the growing Chinese population and demands of resources and (3) China’s “Reform and Opening up” [gaige kaifang] policy.

First, the United Nations Convention of Law of Sea (UNCLOS) of 1982 not only officially extended the territorial sea of coastal states to 12 nautical miles, but also granted the coastal states 200-nautical mile Exclusive Economic Zones (a distance of a further 188 nautical miles beyond and adjacent to the territorial sea). In particular, Article 121 of the 1982 UNCLOS states that an island (a naturally formed area of lands that is surrounded by water and above water at high tide and is capable of sustaining human habitation) is capable of generating territorial sea and EEZ.348 Within the EEZs of its


347 Mark J. Valencia, Jon M. Van Dyke and Noel A. Ludwig, Sharing the Resources of the South China Sea, 11.

islands, a state has sovereign rights for the purposes of exploration for, and exploitation of, marine and sub-marine resources, and other economic activities in the ocean. Thus, the economic value of the islands in the Paracels and Spratlys has accordingly expanded to all of the marine and sub-marine resources within their 200-nauticle mile EEZs.

A decline in China’s onshore oil production in 1980 made Beijing recognize the necessity of expanding its oil search to off shore and seeking foreign assistance in drilling development. In February 1982 the China National Offshore Oil Corporation (CNOOC) was established to coordinate contracts with foreign oil companies on behalf of the State Council, and a series of cooperative ventures were signed in the following years, executed mainly in the Gulf of Tonkin and the Pearl River Basin adjacent to Hong Kong (still the shallow sea areas). Importantly, Beijing realized that “not only were the offshore fields closer to domestic consumers (industrial and population centers along the south and east coast of China), but they were less vulnerable than the onshore fields in northeast (e.g. the Daqing oil field in Heilongjiang Province) and northwest China (e.g. the Kelamayi oil field in Xinjiang Province) to potential Soviet attack.” Dwindling onshore petroleum production plus the strategic locations of the Southern offshore oil fields contributed to the increase of the Paracels’ and Spratlys’ economic value to the Chinese.

Second, increasing demands of the growing Chinese population raised the economic value of maritime resources in the South China Sea. As a result of Mao’s

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349 The foreign partners included Canada’s Husky Energy Inc. (HSE.T), U.S.-based Chevron Corp. (CVX) and U.K.-based BG Group (BG.LN).

stubborn view on population, the Chinese population almost doubled during the thirty-year-leadership of Mao (from 500 million to over 900 million).\(^{351}\) China implemented a “One-Child Policy” in 1979, but the Chinese population still kept swelling in the following decades (See Figure 5.2).

**Figure 5.2 China’s Population (1949-1989)**


On one hand, the bigger population demanded more food from the land; on the other hand, economic expansion required devoting more land to China’s industrial base. “Significant losses of arable land occurred between 1970 and 1987 as farmland was converted to industrial, transportation, and urban construction purposes.”\(^{352}\) Facing pressure from a growing population and declining resources, Chinese leadership turned to

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\(^{351}\) Wenhui Cai, *In Making China Modernized* (University of Maryland, 1993), 183. Mao believed that birth control was a capitalist plot to weaken the country and make it vulnerable to attack. He also liked to say, “Every mouth comes with two hands attached.” For a while Mao urged Chinese to have lots of children to support his “human wave” defense policy when he feared attack from the United States and the Soviet Union.

the sea for a solution. For example, one article in *Jiefangjun Bao* (the PLA official newspaper) on 15 September 1989 stressed “eighty per cent of all earth’s ‘living resources’ were in the sea, and fish would become an increasingly important source of animal protein. The sea was also a valuable deposit of minerals, petroleum and uranium deposits.”³⁵³ Liu Huaqing, then People’s Liberation Army-Navy (PLAN) Commander, also highlighted via Xinhua [The New China News Agency] that “China had a large and increasing population…whose diet would increasingly require the protein supplied by fish.”³⁵⁴ Indeed, China’s consumption of seafood doubled in a span of three short years (1979 and 1981) and quadrupled between 1978 and 1995 (see Figure 5.3).³⁵⁵ Thus, it became apparent for the Chinese leadership in the 1980s that the country’s rapid economic development and swelling population would exhaust China’s natural resources on its land, and that the maritime resources surrounding the disputed islands would deserve more attention, especially considering China still relied heavily on self-sufficiency and did not have much foreign currency for importing foreign goods at the time (see Figure 5.4).


³⁵⁴ Xinhua (Beijing), 12 August 1984, in FBIS-CHI, 13 August 1984, K1-2.

Third, China’s “reform and opening up” policy immediately gave the South China Sea more economic importance. The Chinese Cultural Revolution that was launched in 1966 finally ended with the death of Mao and fall of the “Gang of Four” in 1976. During

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356 Figure 3.2 was cited from Daniel Yarrow Coulter, “South China Sea Fisheries: Countdown to Calamity,” *Contemporary Southeast Asia* 17, no.4 (1996), 377.
the “Ten Years of Calamity” the Chinese economy experienced sluggish growth In the Third Plenary Session of the Eleventh CPC Central Committee in December 1978, the central government under the leadership of Deng Xiaoping made the strategic decision of shifting the focus of work from political campaigns to socialist modernization, reforming the outdated economic system, and opening up to the outside world. With the launching of the “Reform and Opening up” policy, China’s growing foreign trade began to play a crucial role (to say the least) in the recovery and development of China’s economy, providing China with foreign technology and financial resources, two things that China needed most at the time. By 1987 over 1,000 Chinese merchant ships traversed the world’s oceans and an average of 40 foreign liners called at Chinese ports each day. A large proportion of these cargos carried through the South China Sea. What’s more, the first group of Special Economic Zones (SEZs) was established along the southern coast of China (i.e. Guangdong, Fujian and Hainan Province) in the 1980s. The SEZs were awarded with different preferential policies and quickly emerged as the new industrial and manufacturing bases of China. They not only played the role of “windows” – developing the foreign-oriented economy and generating foreign exchange through exporting products and importing advanced technologies, but also played the role

357 The “Four Modernizations” (i.e. the modernization agriculture, industry, national defense and science and technology), that was first set forth as goals by Zhou Enlai in 1963, was officially adopted as the means of rejuvenate domestic economy.


359 China’s traditional industrial bases were located in three Northeast provinces, i.e. Liaoning, Jilin and Heilongjiang.
of “radiators” – accelerating inland economic development.\(^\text{360}\) In the process, the SEZs’ access to new international markets via the South China Sea became increasingly important, and so did the strategically economic value of the Paracels and Spratlys.

China experienced a temporary period of stagnant economic growth and foreign trade between 1988 and 1991. At the beginning of 1988 Deng Xiaoping agreed to initiate the price system reform, replacing the state-mandated price system with a market-based one. The announcement of price deregulation triggered waves of panic, cash withdrawals, buying and soaring inflation in the following two years.\(^\text{361}\) To slow the overheated economy and domestic demand, the Chinese government had to massively cut government capital investment between 1989 and 1991. Meanwhile, international trade fell significantly after the Tiananmen Square protests of 1989 because of economic sanctions imposed by the Western governments. Foreign loans and investment to China were also canceled or suspended by major international financial organizations and foreign governments. As a result, China’s GDP growth fell from a double-digit rate to 4.1 in 1989 and 3.8 in 1990, the lowest two years since 1978.\(^\text{362}\)

Fortunately the economic recession did not last long. China’s economy quickly reverted to its path of rapid growth, and its market reforms and opening up continued. China’s GDP growth rate reached 14.2 in 1992 and has remained around 10 percent since then. China’s international trade was also growing rapidly after the mid-1990s (see

\(^\text{360}\) More information on SEZs is provided by article “Special Economic Zones and Open Coastal Cities,” published at http://www.china.org.cn/e-china/openingup/sez.htm.

\(^\text{361}\) The annual retail price inflation was up to 18.5% in 1988-1989.

Figure 5.5) and most of the dramatic increases in exports to China occurred within the Asian region. Importantly, 90% of Chinese trade, including 80% of oil imports (mainly from the Middle East) went through the South China Sea. Thus, the sea lanes in the South China Sea, as the crucial arteries for both regional and global trade, were playing a more vital role in China’s economic development. The Paracels and Spratlys, as the bases and stations along these arteries, assumed correspondingly greater economic importance.

![Figure 5.5 Growth in Foreign Trade (1990-2008)](image)

Source: IMF, Direction of Trade Statistics

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363 In 2003, China’s imports from Asia increased by 43 percent and exports to Asia increased by 31 percent; imports from Europe and the U.S. increased by 31 percent and 24 percent and exports to Europe and the United States increased by 32 percent and 49 percent respectively; and imports increased by 81 percent from Latin America and 54 percent from Africa. Thomas Rumbaugh and Nicolas Blancher, *China: International Trade and WTO Accession*, IMF Working Paper (March 2004).

364 For example, trade between China and Vietnam was suspended after the border war of 1979 and resumed in 1988. Since the resumption, Vietnam has exported in great volumes crude oil, coal, coffee, sea products, fruits and vegetables, and footwear to China, while China has registered large increases in the export of pharmaceutical products, machinery and equipment, petroleum, fertilizers, motorbike parts and cars to Vietnam. The total trade value was $32 million in 1991, $2.5 billion in 2000 and $25 billion in 2004. Reuters, “China Trade in Vietnam”, *New York Times*, 27 March 1989.
Growth in Chinese oil demand and oil imports has been an especially important trend. Just as rapid economic growth has created a surging oil demand, China’s oil companies have struggled to pump sufficient quantities from mature onshore oilfields, such as Daqing which was discovered in the 1960s. As a result China, a net oil exporter during the 1970s and 1980s, became a net oil importer in 1993 (see Figure 5.6). Further, China doubled its oil demand from 1995 to 2005 and has become the world’s second largest oil consumer, outpaced only by the United States since 2003. Facing increasing pressure for more oil, China has seen the petroleum reserves within the EEZs of the disputed islands as increasingly important.

![Figure 5.6 Changes in China’s Oil Exports and Imports (1986-2007)](source: www.rieti.go.jp/en/China/08062501.html)

In addition, China has emerged as a fishing superpower and become the world largest exporter of fish and fish products since 2002; and the South China Sea accounts for a substantial portion of China’s annual catch of fish. The expanding fishing

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366 Total for crude oil and petroleum products. Prepared on the basis of data presented in relevant editions of the *China Statistical Yearbook*. 

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industry inevitably demanded larger fishing areas in distant waters and made fishing resources within the EEZs of the disputed islands more economically valuable. Due to all of these factors, the economic importance of the Paracels and Spratlys to China has greatly increased since the early 1990s.

5.4.3 **Military Value of the Paracels and Spratlys**

The military salience of the Paracels and Spratlys has always stood principally in their vital geographic positions. The South China Sea is the main waterway for Chinese access to Southeast and Southwest Asia and Europe, and the Paracels and Spratlys are strategically situated in its principal sea lanes (e.g. the Strait of Malacca-Singapore). Thus, access to the Paracels and Spratlys offers China a capability to monitor shipping and air traffic lanes and potentially to interdict the traffic of any nationality transiting the South China Sea. Occupying the Paracels and Spratlys would significantly enhance Chinese power and leverage in the region.  

Furthermore, the South China Sea potentially forms a maritime buffer for southern China. The Paracels and Spratlys are like unsinkable aircraft carriers in the South China Sea and critical for the Chinese to block potentially hostile regional naval forces from approaching southern Chinese provinces and ports. Loss of control over the Paracels and Spratlys means that the sea would be open to foreign domination and present a strategic threat to China itself. The militarily strategic role of these islands was

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demonstrated well during the Second World War when Japanese navies occupied the islands and used them as naval bases and military outposts for invasions and blockades.\textsuperscript{369}

\textbf{5.4.4 Change in the Military Value}

\textbf{Figure 5.7 the Evolution of the Military Value of the Paracels and Spratlys}

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During the 1950s and 1960s the forces in the South China Sea region were divided into the Communist and the anti-communist group. The security threat that China faced there mainly came from the alliance of South Vietnam and the United States. Before 1974 the South Vietnamese occupied the western Paracels (the Crescent Group) and China controlled the eastern Paracels (the Amphitrite Group). Both China and South Vietnam claimed sovereignty over the Paracels and Spratlys. North Vietnam was heavily dependent upon China’s military and economic support then, and therefore repeatedly and explicitly endorsed China’s sovereignty over the various South China Sea islands.\textsuperscript{370}

\textsuperscript{369} For example, the Japanese navy used the Paracel as outposts for their naval base in the Hainan Island and used Itu Aba Island in the Spratlys as submarine base to launch part of its attack on the Philippines and disrupted shipping throughout the South China Sea. Ted L. McDorman, “The South China Sea Islands Dispute in the 1990”, \textit{The International Journal of Marine And Costal Law} 8, no. 2 (1993); Tao Cheng, “The Dispute Over the South China Sea Islands,” \textit{Texas International Law Journal} (1975), 10.

\textsuperscript{370} North Vietnam’s Prime Minister, Phám Van Dong, sent a diplomatic note to China stating that “We have the honor to bring to your knowledge that the Government of the Democratic Republic of Vietnam recognizes and supports the declaration dated 4th September, 1958 of the Government of China fixing the width of the Chinese territorial waters. The Government of the Democratic Republic of Vietnam respects this decision.” See the image of the 1958 diplomatic note from Pham Van Dong (in Vietnamese) at http://commons.wikimedia.org/wiki/File:1958_diplomatic_note_from_phamvandong_to_zhouenlai.jpg.
Under the pressure of the anti-war movement at home and the guidance of the Nixon Doctrine, the American led troops started to be gradually withdrawn from South Vietnam in 1970 and the last American troops left Vietnam in August 1972.\textsuperscript{371} Notably, that year the United States withdrew its forces from the Cam Ranh Bay and handed the facility there over to South Vietnam. Cam Ranh Bay is located on the southeastern coast of Vietnam and considered the finest deepwater port facility in Southeast Asia (see Map 5.7).

\begin{center}
\textbf{Map 5.7 The Location of Cam Ranh Bay}
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Source: volvbilis.wordpress.com
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During the Indochina conflicts, U.S. not only turned the bay into a major supply entrance and departure point (capable of supporting aircraft carriers), but also constructed a large air force base there. But without the support from American forces, South

\begin{itemize}
\item \textsuperscript{371} The Tet Offensive of 1968 created a crisis within the Johnson administration, which was replaced by the new administration of Nixon in 1969. The Nixon Doctrine was put forth in June 1969, which stated that the United States henceforth expected its allies to take care of their own military defense.
\end{itemize}
Vietnam had no capabilities to take advantage of the base and conduct serious military threats to Chinese troops. At the same time, the Nixon administration began to seek rapprochement with China; and this received positive response from Chinese leadership. The strategic change in China-U.S. relations was symbolized in Nixon’s visit to China and the signing of the Shanghai China-U.S. joint Communiqué of 1972. Thus, with the American military withdrawal and the improvement of U.S.-China relations, the military challenge that China faced in the South China Sea region decreased greatly, and the military salience of the disputed islands started deescalating correspondingly in 1972.

However, such a situation did not last long. As Soviet penetration in the region became China’s primary security concern in 1975, the military importance of the Paracels and Spratlys for China’s security bounced back. China’s concern over Soviet encirclement and military activities in the South China Sea was not groundless. As the Chinese-Soviet relation deteriorated, especially after the bloody border clashes of 1969, the Soviet Union exerted pressure along China’s borders. On the north, the Soviet Union increased its military presence along the Soviet-Chinese and Mongolian-Chinese borders and strengthened the Soviet-Mongolian military alliance; on the west, it actively pursued strategic cooperation with India that fought a brutal border war with China in 1962, in addition to secretly assisting the Uyghur uprisings in Xinjiang.372 The Soviet-Indian Treaty of Friendship and Cooperation was signed in 1971. The Soviets also expanded their power down to the Indian Ocean, by sending a naval squadron to the Indian Ocean for the first time in 1968. At the same time, there were signs that the Soviet Union was

ready to intervene in the issues in the South China Sea. For example, in 1971 Moscow reacted strongly against Indonesian and Malaysian positions on the sovereignty of the Strait of Malacca-Singapore, which connects the Indian Ocean with northeast Asia, and declared that they were absolute international waterways.373

Meanwhile, the American withdrawal and the deterioration of the China-North Vietnam relations created a power vacuum that allowed the Soviet forces to penetrate deeply into the region and tighten its encirclement of China.374 Beginning in late 1975, a number of significant agreements were signed between Vietnam and the Soviet Union. In return for Soviet economic and military support, Vietnam granted the Soviet Union access to the facilities at Da Nang and Cam Ranh Bay in 1979.375 In the following years, the Soviets improved the base facilities in Cam Ranh Bay and developed it into its largest naval base outside the Soviet Union.376 By deploying its naval presence at Da Nang and Cam Ranh Bay, the Soviet Union not only was able to operate forces right on the flank of China’s weak South China Sea Fleet [nanhai jiandui], which was deployed from major


374 The relations between China and Vietnam that already got tense because of the 1972 Chinese-American rapprochement finally deteriorated after the fall of Saigon regime and the unification of Vietnam in 1975. At the end of the Vietnam War Hanoi not only switched to Saigon’s stance in maritime affairs, but also moved quickly to seize control of six islands held previously by the Saigon administration. The reunited Vietnam subsequently reasserted its claim to the entire archipelago and officially declared that the Spratlys had been Vietnamese territory since ancient time. The split in the Chinese-Vietnamese relationship pushed Hanoi into the arms of Moscow.

375 Da Nang is the one of largest cities as well as important ports of Vietnam. It was home to a major air base used by both South Vietnamese and the United States air forces during the Vietnam War.

376 The Soviet Navy established a big base at Cam Ranh Bay in 1979, and used the facility both to help protect Hanoi’s offshore interests, and to extend Russia’s regional naval reach. The base supported operations by Soviet frigates, destroyers, nuclear submarines, and amphibious warfare vessels, as well as by aviation assets in the form of fighters, strategic bombers and LRMP aircraft. “Russia Returns to Cam Ranh Bay, Vietnam”, Baird Maritime, 29 November, 2010.
bases at Guangdong, but also linked elements of its Pacific fleet in the Indian Ocean with those in Northeast Asia, concentrated at the port of Vladivostok. Moreover, in response to the Chinese-Vietnamese border war in 1979, Moscow sent a thirteen-ship Soviet flotilla including a 16,000-ton missile cruiser *Admiral Senyavin* and an aircraft carrier all the way from the Black Sea to the Gulf of Tonkin and South China Sea. “Many of those vessels remained on station in the vicinity of Hainan and the Paracels for months, and some were apparently assigned to the region on a semi-permanent basis.” The Soviets maintained nearly twenty-five surface ships at Cam Ranh by 1987, including nuclear-powered attack and cruise-missile submarines, in addition to sixteen Badger bombers, four Bears and a squadron of MiG-23s and four thousand Soviet military personnel.

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377 China has three fleet commands, namely, the North Sea Fleet, based at Qingdao, Shandong; the East Sea Fleet, based at Shanghai; and the South Sea Fleet, based at Zhanjiang, Guangdong. King C. Chen, *China’s War with Vietnam, 1979: Issues, Decisions, and Implications*, p. 28.

378 Chi-kin Lo, *China’s Policy towards Territorial Disputes*, 65.

379 When Vietnam allied with Soviet Union against China in 1975, Chinese leadership felt betrayed and was furious with what it perceived as Vietnamese duplicity and ingratitude. Vietnam’s 1978 invasion in Cambodia further provoked the tensions with China. Subsequently, besides cutting off all aid to Vietnam, China launched a border war in 1979 to punish Vietnam for its aggression against Cambodia. The 1979 Sino-Vietnamese border war lasted from 17 February to 16 March. Both sides claimed victory and suffered severe military casualties, even though neither side has announced any information on its actual military casualties. Following the 1979 border war, there were at least six big rounds of clashes on Chinese-Vietnamese border, in June 1980, May 1981, April 1983, April 1984, June 1985 and December 1986-January 1987. The clash of June 1985 at the Lao and Zheyin Mountains along Yunnan’s border with Vietnam was particularly bloody. In addition, there were a series of small clashes between Chinese and Vietnamese forces in the Paracel area between 1979 and 1982. See Nayan Chanda, *Brother Enemy: The War after the War* (Harcourt, 1988); Michael Brecher and Jonathan Wilkenfeld, *A study of Crisis* (The University Michigan Press, 1997), 160-164.

380 Marwyn S. Samuels, *Contest for the South China Sea*, 149.

Therefore in the face of Vietnam’s hostility, together with a powerful display of Soviet naval might in the region, the military importance of the Paracels and Spratlys for China’s national security kept growing. Beijing well understood that, if the Soviet navy seized the islands in the South China Sea, Soviet encirclement of China would be tightened; however, if the islands were under China’s control, the Soviet naval threat to China’s vital south-east coast would be pushed several hundred miles to the south.\textsuperscript{382} As a result, a Chinese military build-up in the Paracels and Spratlys seemed more necessary than ever.

China’s high anti-encirclement concerns continued into the mid-1980s, although tensions in the South China Sea began to ease after Mikhail Gorbachev’s accession to power in 1985. In his 1986 speech Gorbachev stated that the Soviets would scale down costly Soviet deployments abroad and pull out of Afghanistan and Mongolia unconditionally. Then in September 1988 Moscow signaled that the Soviet Union might give up its presence at Cam Ranh Bay if the United States would also abandon its naval base at Subic Bay in the Philippines. Three months later, Moscow further hinted at its unilateral withdrawal from Cam Ranh Bay.\textsuperscript{383} The sudden disintegration of the Soviet Union in December 1991, combined with severe domestic political and economic problems, then dramatically limited Russia’s regional strength and influence. By the end of 1992 the Russian naval presence at Cam Ranh Bay was reduced to almost nil, and in May 2002 Russia left the port entirely.\textsuperscript{384}


When the Soviet Union scaled down its military presence and financial aid in the region, Vietnam undoubtedly lost the strength to fight against China. Also, because of its invasion of Cambodia, Vietnam was left isolated in the region with a decreasing prestige. Quickly thereafter the confrontations along the Chinese-Vietnamese borders cooled down and border trade between China and Vietnam resumed in the second half of 1988. Vietnamese withdrawal from Cambodia in 1989 removed one major obstacle to improving Chinese-Vietnamese relations and the two countries fully normalized relations in November 1991. China also improved its relations with other members of the Association of Southeast Asian Nations (ASEAN) and regional trade was booming.

Meanwhile, the Philippine government under pressure from national sentiments asked the United States navy to leave Subic Bay. Consequently Subic Bay naval base, the second largest overseas facility of the United States (after Clark Air Base in Angeles City that was closed in 1991), was closed on 24 November 1992. After both the Soviet and American forces pulled out of the region, and China at the same time had improved its relations with the ASEAN countries, the military salience of the contested islands decreased, and the possibility of military collision in the South China Sea seemed remote.385

Tension in the South China Sea region remained low during the following years. But the “9/11” attacks on the Pentagon and the World Trade towers in 2001 greatly changed U.S. foreign policy in a manner that shifted the Chinese calculus (see below).

384 Robert Catley and Makmur Keliat, Spratlys: The Dispute in the South China Sea (Dartmouth Pub Co 1997), 125.

Nine days after the attacks, George W. Bush declared a “War on Terror” and stated that “We will direct every resource at our command…to the destruction and to the defeat of the global terror network.”\textsuperscript{386} The Bush administration made terrorism its focus and shifted U.S. troops to Afghanistan and then Iraq; the status of Pacific Asia in American foreign strategy declined. Consequently, not only did tension between China and the U.S. in Pacific Asia decline—tension which had flared up after the 1989 Tiananmen Incident and during the 1996 Taiwan Crisis—but also both sides found a strategic interest in cooperating together to combat terrorism (although they understood the threat somewhat differently).\textsuperscript{387} This new cooperative status quo was maintained until 2009, when the Obama administration declared that “the United States is back in Asia to stay.”\textsuperscript{388}

### 5.4.5 Symbolic Value of the Paracels and Spratlys

The symbolic value of a given territory generally stems from two types of factors, namely historical connections and ethnic ties. Regarding the former, traces of the discovery of islands in the South China Sea by Chinese mariners go back as many as two thousand years.\textsuperscript{389} Chinese traditionally called the South China Sea “Nan Hai” (South Sea)

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\textsuperscript{386} “President Bush Addresses the Nation,” \textit{The Washington Post} (online), 20 September 2001.


\textsuperscript{389} Both China and Vietnam have sustained their historical claims to these islands by referring to archaeological finds and ancient document. For example, Chinese government sent archeology missions to the Paracels and executed two large-scale investigations respectively in spring 1974 and March-April 1975. Chinese archaeologists discovered Chinese coins in the Paracels, the oldest dating back to the period of Wang Mang (during 3 B.C. to 23 A.D.). The \textit{Han Shu}, which was written about 100 A.D., carries reports of long voyages of Chinese mariners (up to 5 months) in South China Sea; a chronicle, which appeared between 25 and 220 A.D., mentions the existence of islands in the South China Sea. \textit{Han Shu}, Chapter 28,
because they conceived it as the southern part of the entire “Chinese Sea” that was a single, uninterrupted lake linking China with the world. In the perceptions of the Chinese populace, the “Nan Hai” has served as a main corridor for China’s trade and communication for more than two thousand years, and the Paracel and Spratly Islands are the stations along that corridor.

Despite this long historical connection with the Paracels and Spratllys, however, China has no history of occupation of any of these islands. In fact, Chinese (as well as Vietnamese) historical claims to the Paracels and Spratlys “rely on the discovery, temporary or repeated occupation, or the maintenance of relations of any kind to the islands.” China’s control over the islands was broken first by European colonial powers in the mid-19th century, and then by Japanese forces in the early 20th century.

Early on the South China Sea experienced an expansive Chinese maritime presence from the late-10th to the mid-15th century. But China only made its first claim to the Paracels in 1886 and to the Spratlys in 1883 when it faced an increasing challenge from European colonial powers in the region. China officially took possession of some

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390 Dieter Heinzig, *Disputed Islands in the South China Sea*, 21.

391 European colonial powers (first Portugal, Spain, Dutch and then Britain and France) arrived in the South China Sea region in the second half of the 15th century. Although the European powers started to divide territories and construct colonial states in the region from the 16th century, they did not claim the South China Sea Islands until the mid-19th century. For example, British claimed the Spratly Island and Amboyna Cay in 1877, though it did not execute effective occupation and utilization after that.

392 China’s first ambassador to Britain, Guo Songtao, stated in 1876-7 that the Paracel Islands belong to China and China claimed the Spratly Islands implicitly in 1883 by officially protesting a German state-sponsored expedition to the islands. Stein Tonnesson, *An International History of the Dispute in the South China Sea* (EAI Working Paper No.71), 2001.
of the islands in 1902.\(^{393}\) In the next three decades, however, China fell apart and was in no position to uphold its claim to these islands through effective occupation or utilization. France and Japan seized this chance and tried to strengthen their control in this region.\(^{394}\) After the Japanese surrender in 1945, the then-Chinese government (the government of Chiang Kai-Shek) sent naval ships both to the Paracels and Spratlys and garrisoned on Woody (Yongxing) and Itu Aba (Taiping) Island, the largest feature in each group.\(^{395}\)

Ethnic ties between China and the Paracels and Spratlys had been weak by the mid-20\(^{\text{th}}\) century. Because the Paracels and Spratlys were far away from the mainland and, more importantly, most of their features had no sources of fresh water, they had never been inhabited. Only several islands containing limited fresh water had been seasonally inhabited by Chinese fishermen from the Hainan Islands before the 19\(^{\text{th}}\) century. For example, French newspaper and journals recorded that when the French took possession of the Paracels and Spratlys in the 1930s, a few Chinese fishermen and Chinese homes and temples were found on some of those islands.\(^{396}\) Yet these islands, in

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393 In 1902 the Chinese warships carried out an inspection of the islands in the South China Sea. The expedition hoisted Chinese national flags on several islands and erected a stone monument on North Island (Bei Dao in Chinese). Heinzig, *Disputed Islands in the South China Sea*, 26.

394 France made the first formal claim to the Spratly Islands (and occupation of some of them) on behalf of itself and the first claim to the Paracels on behalf of its colony, Vietnam, in 1930-33, about two decades after China had already done so. Japan occupied the Spratlys and the Paracels during 1939-45.

395 Being chased by the PLA, Chiang’s troops on Woody Island were withdrawn to Taiwan in 1950, while retained the control of the Itu Aba Island. P.R. China has controlled the Woody Island since 1950.

the perceptions of most of the Chinese populace, were not homeland but temporary fishing stations, with which they felt a weak ethnic or sentimental bond.

In the perceptions of Chinese leadership, however, the symbolic significance of the Paracels and Spratlys was not so simple. The second Chinese civil war (1945-1949) was between the Communists, headed by Mao Zedong, and the Nationalists, led by Chiang Kai-Shek. It ended when the former founded the People’s Republic of China (PRC) on the Chinese Mainland and the latter fled and relocated the government of the Republic of China (ROC) to Taiwan. Both sides declared themselves the sole legitimate Chinese government and made mutual claims over each other’s territory. Meanwhile the two sides shared the same standpoint with regard to the Paracels and Spratlys – these islands are all part of China’s territory and China will never allow the islands to be encroached upon by any foreign power – and used the same historical evidence to support their claims.\(^{397}\) In fact, as the bilateral relationship between China and Taiwan has improved in recent years, Taiwanese troops stationed on Itu Aba have helped the Mainland garrisons in the Spratlys with fresh water supplies (Itu Aba is the largest of the Spratlys and the only one with fresh water source),\(^{398}\) and Beijing made it clear to Taipei that it appreciated Taiwan for safeguarding Itu Aba.\(^{399}\)

Thus, competition and cooperation between the Mainland and Taiwan over these island territories over the past several decades has potentially complicated other


international disputes over the Paracel and Spratly islands. On the one hand, the gain or loss of the islands could affect either side’s claim of being the sole legitimate Chinese government and representing all of ‘China.’ “…the mainland’s position in these disputes is linked with its claims to rule ‘one China.’ Compromise by either side would be seen as weakening its claim to be the legitimate government of China.” On the other hand, the mutuality of interests and coordination between the two Chinese governments when they faced other disputants, and their shared historical arguments in support of their claims, has endowed the islands with more ethnic and national significance than they otherwise might have had. This has been stressed in Beijing’s statements from time to time. For example, in its statement of 4 February 1974 Beijing emphasized that “Xisha as well as Nansha, Zhongsha and Dongsha Islands have always been China’s territory. This is an indisputable fact and is maintained by all Chinese (emphasis added)”; and a long article in the Guangming Ribao of 24 November 1975 declared that “all the islands belonging to China will definitely return to the embrace of the motherland (emphasis added).”

5.4.6 Change in the Symbolic Value

Figure 5.8 Critical Shifts of the Symbolic Value of the Paracels and Spratlys

![Symbolic Value Chart]

400 Fravel, Strong Borders, Secure Nation, 268.

The politics of mobilizing popular support associated with rapid economic growth in the post-Mao era resulted in the rise of nationalism in China; and this rising nationalism in recent years has further contributed to the increase of the symbolic significance of the Paracels and Spratlys.

In the post-Mao era a rising nationalism has replaced Maoism as the preferred societal glue and means of gathering political support.\(^4\) Traditionally, Maoism as an ideology was the most powerful weapon for the national government to regulate or coordinate local societies. However, Mao’s radical political campaigns not only seriously damaged Chinese economy and social life, but also resulted in a loss of faith in the existing ideology and the political legitimacy of leadership. After experiencing the irrational or brutal Cultural Revolution Chinese people began to have much less trust in the leadership of the CCP as well as to each other; a “belief crisis” [xinnian weiji] existed among different social groups.\(^5\) With the decline in Maoist faith, western ideas, such as capitalism, individualism, and political liberalism gradually took over the ideological vacuum among local residents and challenged the rule of the Chinese Communist Party.\(^6\) At the same time, Deng Xiaoping initiated economic reforms by decentralizing some state powers to lower levels and granting local government a great deal more autonomy and responsibility. This inspired economic success, but it also led the national government to gradually lose its “touch” with local societies.

\(^4\) Ralf Emmers, *Geopolitics and Maritime Territorial Disputes in East Asia* (Routledge, 2010), 70.


\(^6\) Ibid, 18.
Therefore, with a declining central power, China’s central government started to develop nationalist rhetoric to mobilize popular support, shore up its legitimacy and hold China together. On the one hand, Chinese leaders highlighted the economic, political and social improvements that China had achieved since 1978; on the other hand, they intentionally stimulated Chinese long-held discontent that stemmed from the “Century of National Humiliation” [bainian guochi], which began with the First Opium War and the ceding of Hong Kong to the British in 1842.

With increased visibility of popular nationalism and stronger nationalist sentiment, the Chinese populace began to show greater sensitivity to China’s territorial integrity and to clamor more loudly for “muscle-flexing” and “recovering the lost land” in the mid-to-late 1980s.\textsuperscript{405} In their cultural-historical perceptions, the gain or loss of islands in the South China Sea was tightly connected with the integrity and dignity of the whole Chinese nation. The Spratlys were taken by the Philippines from the east, Vietnam from the west and Malaysia from the south; by the late-1980s, these claimants had occupied or controlled virtually all features in the Spratly area that were above water at high tide, asserting what they saw as their legitimate claims based on history or the 1982 UNCLOS. China had been left out in the scramble for occupation of the Spratlys.\textsuperscript{406} Responding to


\textsuperscript{406} According to the UNCLOS, one feature must remain above sea at high tide and be capable of sustaining human habitation in order to have exclusive economic zone and continental shelf. Stein Tonnesson, “An International History of the Dispute in the South China Sea”, EAI Working Paper (2001), No.71, p. 17. After occupying seven features in the late 1970s, the Philippines seized Commodore Reef in 1980. In 1980 Malaysia claimed a 200-nautical-mile EEZ, which included claims to twelve features in the Spratlys. In August 1983, Malaysia announced that its commandos had occupied Swallow (Danwan) Reef. Three years later, in October 1986, Malaysia seized Ardasier (Guangxingzai) and Mariveles (Nanhai) reefs. In 1987,
mass discontent at this humiliation, on New Year’s Eve 1986 Hu Yaobang, then CCP general secretary, accompanied by Admiral Liu Huaqing, commander of the PLAN, visited the Paracels and encouraged Liu to prepare a plan of action for the Spratlys. He said “We do not want an inch of foreign territory, but we do not permit any country to invade and occupy a single inch of our great motherland’s territory either,”\textsuperscript{407} and “the Spratlys are our territory, which we will frequently visit from now on.”\textsuperscript{408} This further stirred a rising tide of territorial nationalism toward the contested South China Sea islands. The People’s Daily published one statement to highlight the significance of Hu’s visit to the Paracels and one editorial article to criticize Vietnam’s response to Hu’s visit.\textsuperscript{409} Some months later, China’s central media gave intensive reports and repeated Chinese sovereignty over the South China Sea, when the PLAN conducted the first large-scale patrol of the Spratlys (from North Island [Bei Dao] to James Shoal [Zengmu Ansha]) between 16 May and 6 June 1987.\textsuperscript{410} Beijing Radio stated proudly that the PLAN had grown strong and was able to safeguard the country’s territorial waters.\textsuperscript{411}

Revived Chinese nationalism in the 1980s boosted further in the 1990s in light of a series of incidents. First, the West adopted the China containment policy after the


Tiananmen Square protests and crackdown. Under this economic sanction Chinese people increasingly believed that the West in general and the United States in particular used all possible means to contain China and did not want China to develop and become an equal player in the international community. In addition to economic sanctions, the anti-West sentiments of Chinese were further stimulated by Beijing’s loss in its 1993 bid to host the 2000 Olympics (attributed to a scheming U.S. Congress), the 1996 Taiwan Strait Crisis, American bombing of the Chinese Embassy in Belgrade in May 1999, and the U.S.-China midair collision near Hainan Island in April 2001. National anger against the West manifest in a series of popular “Say No” books (such as, The China that Can Say No, The China that Still Can Say No, and How Can China Say No), and


413 The crisis started when ROC president Li Denghui (Lee Teng-hui), who supports Taiwan independence, gave a speech on Taiwan’s democratization at Cornell University in the United States in June 1995, and escalated before the 1996 Taiwan president election (the first presidential election in Taiwan since 1949). Beijing was furious over Li’s cross-strait policies and U.S. approval of Li’s visa. In order to isolate Taiwan and send a message to Taiwanese electorate, the PLA conducted three sets of missile firing in an area north of a Taiwan-held islet, accompanied with ammunition, naval and amphibious assault exercises. To respond to the PLA’s activities, the Clinton administration first sent the Independence aircraft-carrier battle-group, stationed in Japan at the time, to the Taiwan Strait in 1995 and ordered the Nimitz aircraft-carrier battle-group to steam at high speed from the Persian Gulf (via the South China Sea) to the Taiwan Strait to join the Independence in 1996. Thus, tension in the Taiwan Strait mounted quickly and China and the United States seemed to be approaching the brink of war again. Fortunately, the crisis did not evolve into a war between China and the United States when Li Denghui was elected as Taiwan’s president on 23 March 1996.

414 Although Washington claimed the Embassy bombing was an accident, most of Chinese did not believe that. Peter Hays Gries, China's New Nationalism: Pride, Politics, and Diplomacy (University of California Press, 2004), 18.

415 One U.S. Navy EP-3E spy plane and one PLAN J-8II interceptor fighter jet collided in the air 70 miles away from the Hainan Island on 1 April 2001. One Chinese pilot was killed during the clash. The U.S. plane was forced to make an emergency landing on the Hainan Island. All of the U.S. crew members were unhurt and detained and interrogated by the Chinese authorities. They were released and returned to their base at Hawaii on 11 April 2001, after a statement was delivered by U.S. government regarding the incident.
massive protests and boycotts of American products in major Chinese cities. China’s
government further bolstered anti-western sentiment during the nationwide “Patriotic
Education Campaign” launched in 1991 and carried out at a full scale in 1992.\footnote{Ruoxi Du, \textit{The Patriotic Education Campaign in China and the Rise of Chinese Nationalism}, report sponsored by the Foreign Military Studies Office (FMSO) at Fort Leavenworth and the Center for Global and International Studies at the University of Kansas (KU-CGIS).}

Nationalist sentiment toward the South China Sea reached a certain peak following the U.S.-China midair collision in April 2001. In Chinese perceptions, a threat to China’s sovereignty over the South China Sea islands was not only a threat to China’s military security or economic interests, but also one to Chinese national self-esteem and dignity. “Since China lost face by losing territory to Western powers and Japan before 1945, now it must make sure not to lose face again by losing territory to its East Asian neighbors” especially if they are allies of the United States.\footnote{William A. Callahan, “National Insecurity: Humiliation, Salvation, and Chinese Nationalism,” \textit{Alternatives} 29 (2004): 211-212.} If China should now lose territory to regional states, national pride and the very legitimacy of the government would be severely damaged. A few weeks after the midair collision the Chinese National People’s Congress passed a “National Defense Education Law” aimed at promoting patriotism and national defense. According to this law Chinese schools (from primary schools to colleges) should include the national defense education in the curriculum.\footnote{The Chinese legislation passed the law, but failed to name an exact date because of sharp disagreements among lawmakers. “Chinese Lawmakers Dispute over Choice of Humiliation Day,” \textit{People’s Daily}, 27 April 2007; “China Failed to Designate National Humiliation Day”, \textit{People’s Daily}, 29 April 2007.} A new national holiday, National Humiliation Day, was listed as part of this law.

\footnote{\textit{The China That Can Say No}, written by a group of young Chinese authors and published in 1996, quickly became a 1996 best seller and has been one of the most influential books published after 1993. The same authors also wrote \textit{The China that Still Can Say No} a few years later. Susan L. Shirk, \textit{China: Fragile Superpower} (Oxford University Press, 2007), 232.}
5.5 Chinese Territorial Policy toward the Paracels and Spratlys

Figure 5.9 Chinese Policy toward the Paracels and Spratlys (1950-2010)

The Chinese government issued its first official statement on the sovereignty of the Paracel and Spratly Islands during the San Francisco Peace Conference of 1951. Zhou Enlai, then as China’s Foreign Minister, publicly stated that

“…as a matter of fact, just like all the Nansha (Spratly) Islands, Zhongsha Islands (Macclesfield Bank), Dongsha (Pratas) Islands, Xisha (Paracel) Islands and Nanwei Island have always been part of China’s territory. …China’s inviolable sovereignty over Nanwei Island and Xisha Islands will not be affected by US and British draft peace treaty with Japan, regardless of whether or not it includes provisions about their status.”\(^{420}\)

Despite claiming resolutely its sovereignty over the islands, however, the Chinese government adopted a delaying strategy toward the disputes and tolerated South Vietnam’s movements in the South China Sea during the 1950s and 1960s. For example, South Vietnam sent troops to the Western Paracels (the Crescent Group) in 1956, detained 5 Chinese fishing vessels and 82 Chinese fishermen in the Paracels in February 1959, established a Duncan Island administrative apparatus in 1961, and built sovereignty

\(^{420}\) The claim to the South China Sea islands was re-affirmed in 1958, 1959 and 1960. The Chinese version of the statement is available at http://news.xinhuanet.com/ziliao/2004-12/15/content_2337746.htm and also at Zhou Enlai Waijiao Wenxuan [Selected Diplomatic Papers of Zhou Enlai].
steles on major islands within the Spratly Islands (e.g. Spratly, Itu Aba, and the Southwest Cay) from 1961 to 1963.\footnote{“Historical Documents on Vietnam’s Sovereignty over Paracel and Spratly Islands,” 24 June 2011, \url{http://english.vietnamnet.vn/en/special-report/9787/historical-documents-on-vietnam-s-sovereignty-over-paracel-and-spratly-islands.html}; Dieter Heinzig, \textit{Disputed Islands in the South China Sea}, 43; Marwyn S. Samuels, \textit{Contest for the South China Sea}, 101.} These activities did not prompt any serious protest from China, to say nothing of military actions.

In the early 1970s China replaced the delaying strategy with an aggressive escalatory one. Because its long-range naval capability in the 1970s was too limited to support operations around the Spratlys, China took the Paracels as its target at the time. By then, China had taken possession of the eastern Paracel, i.e. the Amphitrite Group, while South Vietnam possessed the western Paracel, i.e. the Crescent Group. Starting in 1970 the PLAN of China began survey operations in the Amphitrite Group and in 1971 set up a meteorological station on Woody Island. In 1972 the PLAN extended the survey operations to the Crescent Group that was under the control of South Vietnam. Preliminary surveying was followed by the construction of military infrastructure in the Amphitrite Group, which included a 350-metre reinforced concrete wharf adequate for use by mid-sized ships at Woody Island and a navy base at Lincoln Island.\footnote{John Garver, “China’s Push through the South China Sea: The Interaction of Bureaucratic and National Interests,” 1001.} Subsequently, Chinese fishing boats with fishermen and militiamen crossed from the Amphitrite Group into the Crescent Group and planted Chinese flags on several islands, including Robert and Drummond Island between 11 and 16 January 1974. Skirmishes took place between Chinese and South Vietnamese vessels in the region during 16 to 18 January; and finally these skirmishes developed into serious fighting on 19 January 1974.
South Vietnamese forces were defeated and withdrew from the Crescent Group two days later. China was in complete control of the Paracel Islands by the end of January 1974.

Both China and South Vietnam accused each other of firing the first shot. In fact, “given the tense situation then surrounding the islands, the question of who fired the first shot is probably not that important.” As scholars have pointed out, it is very likely that the South Vietnamese fired first, but it was Chinese sending the fishing boats to the Crescent Group that provoked the South Vietnamese into firing the first shot. Recent Chinese materials show that the Paracel operation was directly ordered by Mao Zedong and Zhou Enlai in January 1974, and jointly supervised by Ye Jianying, then Minister of Defense and vice-chairman of the Central Military Commission, and Deng Xiaoping, who had been rehabilitated in 1973.

The Paracel battle of 1974 brought the South China Sea a fifteen-year peace. During this period of time, China strengthened the defenses around Hainan and the Paracel Islands and prepared to escalate in the Spratlys. First, the Chinese armed forces

423 According to a Reuter report of 17 January 1974, the battle was started with South Vietnam’s navy firing at Chinese who raised a PRC flag on Robert Island. Reuter, 17 January 1974. And in An Inside Look Into Chinese Communist Navy – Advancing Toward the Blue Water Challenge [Zhonggong Haijun Toushi—Maixiang Yuanyangde Tiaozhan], Ai Hongren wrote that Chinese navy ships were ordered not to fire the first shot. According to personnel who were on the scene at the time, before the naval battle began the warships of the two sides were in a state of confrontation. A Vietnamese warship fired one of its guns. The Chinese naval commander decided that it “probably was an accidental discharge.” This book was later translated into English as a JPRS report of 16 July 1990.

424 Chi-kin Lo, China’s Policy towards Territorial Disputes, 1989, 59.

425 They believe that China used the fishing boats as the bait to entice the South Vietnamese to act. Peter Kien-hong Yu, “Issues on the south China Sea: A Case Study”, in Chinese Yearbook of International Law and Affair 11 (1993): 174; Chris Roberts, Chinese Strategy and the Spratly Islands Dispute, Australian National University Strategic and Defense Studies Centre, 13; Daljit Sen Adel, China and Her Neighbors: A Review of Chinese Foreign Policy, 178; Chi-kin Lo, China’s Policy towards Territorial Disputes, 59.

accelerated military infrastructural construction in the Paracels, which included completing a 2600-meter-long airstrip on Woody Island for refueling and emergency landings and building harbors and lighthouses on Bombay Reef, Triton and Woody Island. As a result, the Paracels were able to serve as stepping stones for China’s advance to the Spratlys; the airstrip on Woody Island reduced the burden of air coverage for a Spratly operation from the nearest Yulin Base (on Hainan Island) by several hundred kilometers and raised the PLAN’s rapid response capabilities for a Spratlys conflict (see Figure 5.10).

Figure 5.10 the Airstrip on the Woody Island


Once the PLAN reinforced its garrison on the Paracels, it started to advance south towards the Spratlys. Its first excursion occurred on 8 November 1980, when two Hong-6

Bombers (Tu-16 Badger) patrolled in the Spratly area for about 40 minutes and carried out extensive aerial photography.\textsuperscript{428} In the following years, repeated air patrols and extensive surveying operations were executed in the Spratlys. In 1987 China’s policy toward the Spratlys further escalated. Intense military exercises were conducted over a wide sea area in the western Pacific in October and November 1987. Four missile escort ships crossed the Spratly sea area twice and at the closest were only 0.4 nautical miles from islands occupied by Vietnamese forces.\textsuperscript{429} More importantly, in addition to using naval forces to send a strong signal of its interests and to demonstrate the military capabilities to support its claims, China decided in early 1987 to establish a permanent position in the area.\textsuperscript{430} Earlier China had been requested by UNESCO (the United Nations Educational, Scientific and Cultural Organization) to establish an oceanic observation station in the Spratlys, and this request provided a convenient and defensible justification for China’s building a permanent physical presence in the area.\textsuperscript{431} After surveying the Spratlys with research ships accompanied by navy destroyers, the Chinese chose to establish the observation station on Fiery Cross Reef [Yongshu Jiao].\textsuperscript{432} Fiery Cross Reef was strategically located in the geographic center of the Spratlys and

\textsuperscript{428} Prior to this action, China fired two ICBM-type carrier rockets some 8000 nautical miles into the South Pacific on 18 May 1980, \textit{Da Gong Bao}, 24 May 1980, 1; Garver, “China’s Push through the South China Sea: The Interaction of Bureaucratic and National Interests,” 1008.

\textsuperscript{429} Ai Hongren, \textit{An Inside Look Into Chinese Communist Navy – Advancing Toward the Blue Water Challenge}, 12.

\textsuperscript{430} Fravel, \textit{Strong Borders, Secure Nation}, 128.

\textsuperscript{431} Michael Studeman, “Calculating China’s advances in the South China Sea: Identify the Triggers of ‘Expansionism’;” Garver, “China’s Push through the South China Sea: The Interaction of Bureaucratic and National Interests,” 1009.

surrounded by reefs occupied by Vietnam. “Choosing its foothold on this reef was to achieve the effect of ‘sticking a dagger into the enemy’s heart.’”433 While the PLAN started construction on Fiery Cross, it also conducted investigations and set up steles on eleven other unoccupied reefs in the Spratly area. During this process, the Chinese Ministry of Foreign Affairs issued many statements reiterating Chinese sovereignty over the Spratlys and protesting against Vietnam’s occupying more than 20 islands and reefs in the Spratlys. The tone of these statements reflected an increasingly hard-line position.434

Vietnam did not express discontent when UNESCO authorized China to build an oceanic station in the Spratly area. Also Vietnam never thought China would establish a permanent presence on Fiery Cross Reef, because the reef is submerged under one-half to one meter of water at high tide and is not the closest one to the Chinese mainland (in fact, it is very close to Vietnam).435 Thus when Chinese naval ships loaded with construction materials arrived at Fiery Cross Reef, the Vietnamese were surprised and became much more concerned given the important strategic location of Fiery Cross. Quickly, Vietnam sent more troops to the Spratlys and occupied more reefs. Also, Vietnamese warships began to harass Chinese vessels involved in survey and construction activities. Confrontations unavoidably broke out between the two sides. On 14 March 1988, after China had occupied three reefs (Fiery Cross, Johnson [Chigua Jiao] and Cuarteron

433 Ai Hongren, An Inside Look Into Chinese Communist Navy – Advancing Toward the Blue Water Challenge, 47.

434 The major statements were issued in April and December 1987 and in February and May 1988.

435 Ai Hongren, An Inside Look Into Chinese Communist Navy, 47.
[Huayang Jiao]), the confrontations finally escalated into a deadly clash at Johnson Reef, to the east of Fiery Cross Reef. China’s navy won the fight with a low cost – only one Chinese was injured, while over seventy Vietnamese were killed, one Vietnamese freighter was sunk and its other two ships were heavily damaged.

Following this clash China controlled six of the nine unoccupied features in the original plan, and China’s naval soldiers rapidly completed the construction of permanent fortresses on these features. Most notably, they went through 189 days of arduous struggle to convert Fiery Cross Reef into a man-made island, equipped with a 100-meter wharf, an oil reservoir, heliport, and an observation station. Cuarteron Reef [Huayang Jiao], the southernmost reef, was also developed into an observation port to monitor the movements of the Vietnamese navy in the vicinity of the islands. These six footholds were like “nails” planted among the Vietnam-occupied features, forming a very favorable position for China to recover those features in the future. This indicated that China had been well prepared earlier when it dispatched ships to build a station in the Spratlys.

Since the 1988 Spratly operation China has stuck to a delaying strategy toward the Paracels and Spratlys. I base this characterization of Chinese strategy on two kinds of

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436 The six features are Subi Reef [Zhubi Dao], Cuarteron Reef [Huayang Jiao], Gaven Reef [Nanxun Jiao], Johnson Reef [Chigua Jiao], Whitson Reef [Niu’ e Jiao] and Hughes Reef [Dongmen Jiao]. Taylor Fravel points out that China also did not occupy three of the features outlined in the initial plan. Most likely, Vietnam occupied these positions after the PLAN appeared at Fiery Cross. Unlike in the Paracels, China did not seize the opportunity created by its defeat of Vietnamese forces at Johnson Reef to attack other Vietnamese-held positions, especially prime real estate in the region such as Spratly Island. Second, China also did not occupy three of the features outlined in the initial plan. Most likely, Vietnam occupied these positions after the PLAN appeared at Fiery Cross. Fravel, Strong Borders, Secure Nation, 296.

437 Ralf Emmers, Geopolitics and Maritime Territorial Disputes in East Asia, 70.

438 Ai Hongren, An Inside Look Into Chinese Communist Navy, 47-49.
observations: First, although China has nominally attempted to facilitate joint development of resources with Vietnam in the South China Sea, its efforts have only led to limited paper progress. China has clearly been unwilling to share control over the areas where it dominates (the Paracels), while also asking for greater access to regions that it shares with Vietnam or is disadvantaged (the Spratlys). On the other hand, although tensions have flared up between China and Vietnam since 2009, China has deliberately avoided escalating the disputes and changing the status quo in the South China Sea.

At a press conference in Singapore in August 1990 Li Peng, then Chinese Premier, proposed that China, Vietnam and other claimants should jointly develop the marine resources in the Spratlys and put aside claims of sovereignty without prejudice. Later during Chinese President Jiang Zemin’s visit to Hanoi in November 1994, both sides agreed to establish a joint working group to discuss the South China Sea issue and hold the working group meeting annually. However, rounds of meetings have produced scant real progress on joint development, and China’s offer to jointly develop the Spratlys easily strikes one as cynical rather than cooperative. Until today Vietnam occupies nearly 30 features in the Spratlys while China occupies less than ten which are generally much smaller than those under Vietnam’s control. Beijing has thus asked for joint development and economic cooperation in the region where it is relatively less powerful. Meanwhile, Beijing has made no overtures to jointly develop the disputed

439 In 1995 Vietnam became one member of the ASEAN and in 2002 China and ASEAN signed the Declaration on the Conduct of Parties in the South China Sea (DoC). The DoC is a nonbinding agreement that aimed at precluding the use of violence, putting a hold on any further occupation of reefs and encouraging joint cooperation. Stein Tonnesson argues that the ASEAN parties focused more on using the agreement to freeze the status quo, while China put more emphasis on joint cooperation schemes rather than conflict prevention. Stein Tonnesson, An International History of the Dispute in the South China Sea, 20.
region where it enjoys a sound positional advantage—the Paracels. It is thus quite unrealistic, and not a signal of cooperative reciprocity, for China to ask Vietnam to share the resources in the Spratlys while also refusing to share resources in the Paracels.  

China quietly resumed its efforts to consolidate control on the disputed features in 1992. As of 1992 Chinese forces occupied all the features in the Paracels and nine features in the Spratlys. All of them have power generation, cold storage, water storage and recreational facilities. China deployed airplanes in the Paracels to build up its strike capability in the area and landed troops on “Da Lac coral reef” in the Spratly archipelago. In addition, construction began on a half-dozen reefs of crude huts and octagonal wooden structures on wooden pilings in the 1990s, which were called “typhoon shelters” by the Chinese government (see Figure 5.11). 

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440 In May 1992 China signed an agreement with the Crestone Energy Corporation, a U.S. company, on oil-gas exploration in 9,700 sq. miles (Wan’an Bei-21) in the Wan’an Tan/Vangurad Bank area of the western Spratlys. 3/4 of the Wan’an Tan is within China’s traditional claim line (i.e. the Nine-Dash/U-shape Line). Whereas, Vietnam protested this action and claimed that this area was located on its continental shelf. As response, China proposed that Vietnam take the continental shelf area between the Nine-dash Line and the western edge of the concession while China retain the Creston area; each side would have full authority to develop its area. In 1994 China further offered to split Wan’an Bei production with Vietnam as long as China retained the sovereignty of this area. Both of the offers, however, were rejected by Vietnam. Vietnam insisted that it had the exclusive sovereignty and exploration right over Wan’an Tan. The Chinese exploration ship in the Wan’an Bei-21 region was surrounded by five Vietnamese gunboats on 13 April 1994 and forced to leave three days later. Thus, China’s first attempt to explore oil in the disputed Spratlys aborted. 

441 Garver, “China’s Push through the South China Sea,” 1015. 

A series of confrontations between China and Vietnam have occurred since 2009. The first major confrontation happened between a Vietnamese oil and gas survey ship and Chinese patrol boats in May 2011. Similar incidents between Vietnamese survey ships and Chinese boats occurred in June 2011 and December 2012. In July 2011 Vietnam reported that Chinese forces beat a Vietnamese fishing captain and drove his ship out of disputed waters, which sparked anti-Chinese demonstrations near the Chinese Embassy in Hanoi. Both sides have held several rounds of live-fire drills in the South China Sea amid high tensions since 2009. The latest standoff between China and Vietnam happened in May 2014, as Vietnamese vessels confronted Chinese ships that were trying to place an oil rig (HYSY-981) near Triton Island, the closest Paracel to the Vietnamese

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443 Vietnam accused Chinese boats deliberately cut the survey ships’ cables in Vietnamese waters. China denies the allegation.

Chinese ships fired water cannons at the Vietnamese vessels, and both sides said their ships were rammed by opposing forces.

In addition, friction between China and the Philippines in the Spratlys also intensified in 2012 with several naval standoffs. Recently, the Philippine media reported Chinese land reclamation activities in five areas in the western part of the Spratlys, namely Johnson South (Mabini) Reef, Cuarteron (Calderon) Reef, Hughes (Kennan) Reef, Gaven (Burgos) Reef and Eldad (Malvar) Reef. These areas are closer to Vietnam’s strongholds and farther from the Philippine mainland. China seized control of these reefs during the clash with Vietnam in 1988. The reclaimed area is estimated to be around 90,000 square meters and the perimeter has been secured to prevent erosion (see Figure 5.12).

Figure 5.12 China’s Land Reclamation Operations on the Johnson South Reef (Taken by the Philippine Navy)

Source: www.philstar.com/headlines/2014/06/13/1334238/china-reclaiming-land-5-reefs


446 A confidential Malacañang report detailed the land reclamation activities of China in five areas DJ St. Ana, The Philippine Star, 13 June 2014.
The locations of recent confrontations suggest that China’s actions may serve a limited political aim rather than an attempt to change the status quo in the region. By conducting these activities, China wants to maintain and affirm its maximal claim to maritime rights in the disputed area, that is, the Nine-Dash line. From Figure 5.13 we can see that the confrontations between China and Vietnam and the Philippines since 2011 occurred right along the Nine-Dash/U-Shape Line. Also, China’s reclamation operations were conducted only on features that China had occupied in the 1980s. It did not attempt to seize any features that are occupied by other claimants.

Figure 5.13 Locations of Recent Chinese –Vietnamese/Philippine Incidents

China carefully limited the potential for escalation during these confrontations. This indicated that China’s intention was to gain insight into the response of its

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447 Although China issued its baselines in 1996, it did not draw baselines around any of the Spratly Islands, which suggested Chinese recognition of disputes and the possibility of compromise in some fashion in the future. Fravel, “China’s Strategy in the South China Sea,” 296.
adversaries in the region, especially that of the United States. For example, the very recent confrontation between China and Vietnam was triggered by China sending its mega oil-drilling platform HYSY-981 to a disputed area on 2 May 2014 which was unlikely to have significant potential for hydrocarbons according to a report by the U.S. Energy Information Administration in 2013. When the Chinese ships were surrounded by Vietnamese vessels, China carefully chose to use water cannon – as opposed to warning shots, boat seizures or cannon fire – to limit the possibility for escalation. Tension quickly eased on July 15, when China withdrew the oil rig and released thirteen Vietnamese fishermen that had been detained earlier. To explain why China pulled the rig one month before its original deadline of August 15, Beijing stated that the exploration project had been completed and July was the beginning of the typhoon season, so the early withdrawal could avoid the typhoon damage.

However, it is worth noting that the United States approved Resolution No. 412 on 10 July 2014, which explicitly reaffirmed its unwavering commitment and support for allies and partners in the Asia-Pacific Region, and called on China to withdraw its

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450 At the beginning of this standoff, Chinese propaganda authority ordered online media to delete reports on the on-going Chinese-Vietnamese confrontation on water and not to report the anti-Chinese riots in Vietnam, republish foreign coverage or allow discussion in online forums. Then, as the event developed the authority allowed information to flow to where it was most needed, at the same time smoothing the natural spike in public attention and holding back media coverage until an official line could be decided. Thus, Chinese government management of domestic discourse had effectively avoided provoking a fierce domestic Chinese reaction and minimizing the domestic pressure when it backed down in July. Andrew Chubb, “China-Vietnam Clash in the Paracels: History still Rhyming in the Internet Ear?” Southseaconversations, 7 May 2014.
drilling rig and associated maritime forces from their current positions. Therefore, the fact that China withdrew the drilling rig just several days after the approval of Resolution No. 42 suggests that the pressure from the United States could play a big role on China’s withdrawal; and China’s real intention of sending the rig was to “test” how likely and when the United States would directly intervene in the South China Sea disputes. Once Beijing received the clear signal from Washington, it backed down immediately. “The coincidence of Typhoon Rammasun provided the pretext. If Chinese officials were concerned about the safety of HYSY-981 they should have left it in place rather than tow it towards Hainan Island where Typhoon Rammasun was headed.”⁴⁵¹ In short, China’s policy toward the Paracels and Spratlys has been a delaying one, and the status quo of the South China Sea has been maintained since 1988.

5.6 Discussion

Figure 5.14 The Chinese-Vietnamese Disputes over Paracels and Spratlys

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<tr>
<th>Economic Value:</th>
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<td>82° UNCLOS</td>
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⁴⁵¹ Carl Thayer, “4 Reasons China Removed Oil Rig HYSY-981 Sooner Than Planned,” The Diplomat, 22 July 2014.
The most important finding of this South China Sea dispute study is that my theory of territorial values and policies has limited power in explaining the evolution of Chinese offshore island disputes. Opportunism rather than territorial value has played a decisive role in Chinese policy toward the island disputes.\(^{452}\) When there was a “window of opportunity” / “power vacuum” in the region, China escalated the disputes and used force to seize the contested islands; when the “window of opportunity” was missing, China adopted a delaying strategy toward the island disputes, even though the values of the disputed islands kept changing (see Figure 5.14).

First, in contrast with my hypothesis that an increase in military territorial value likely leads to policy escalation (and a decrease the opposite), the Paracel and Spratly disputes escalated when the military value (or salience) of the islands actually decreased. China pursed an escalation policy when there was a “power vacuum” in the region. Perceiving the “power vacuum” as a “window of opportunity,” China believed that it was very likely that the opponent would not be willing to fight a war at that moment or would quickly back off because they had lost important military support from their allies.

As we can see from Figure 5.14, the first time that China used force over the disputed islands was in 1974, which resulted in China taking full control of the Paracel Islands. At that time, the United States had finally pulled out of Vietnam after intervening (first indirectly and then directly) in the Indochina conflicts for decades. The Vietnam War was at an end with the Communist North Vietnam defeating South Vietnam. It was

\(^{452}\) In “Consensus at the Top? China’s opportunism on Diaoyu and Scarborough Shoal,” Andrew Chubb also argues that China’s strategy is opportunism and it represents a continuation of the historical pattern of China actions to advance its position in maritime territorial disputes over the past 40 years. Particularly, he points out that the standoff in the Scarborough Shoal and the Diaoyu in 2012 created opportunities for PRC to stimulate Chinese public angry protests and attention and thereby act more aggressively in the disputed water. See this article at Andrew Chubb’s personal blog: www.southseaconversations.wordpress.com.
then clear to China that, being abandoned by its allies after a protracted war, South Vietnam was too weak to win a battle with China. The Chinese-American rapprochement of 1972 further reduced the possibility that the United States would intervene if there were a military conflict between China and Vietnam. Although there were signs that North Vietnam might move into alignment with the Soviet Union and the Soviets were interested in using the islands to reinforce a blockade on China, the Soviet forces did not enter the South China Sea region until the late 1970s. Thus, there was a definite power vacuum in the area between the U.S. withdrawal and the Soviet penetration. China took advantage of this “window of opportunity” to seize the Paracel Islands at a low cost. Only the Paracels were chosen as the target at the time, because they were located nearer to the mainland of China and the capabilities of Chinese forces (PLA-Navy and PLA-Air) had not been ready for long distance operations in the Spratlys (e.g. weaknesses of offshore resupply and long-distance projecting power, absence of aircraft carriers, and lack of medium-range bombers and submarines).

Similarly, the 1988 Spratly clashes broke out two years after the Soviet Union began scaling down its military presence abroad and loosening the encirclement of China. In addition to its withdrawal from Afghanistan and Mongolia, Moscow reduced its aid to Vietnam and signaled that it would pull out of the military base at Cam Ranh Bay. In addition to putting pressure on Vietnam to endorse an improved Chinese-Soviet relationship in mid-1985, Soviet Secretary-General Gorbachev was able to reverse a host of Soviet policies. In his famous speech in Vladivostok in July 1986, Gorbachev sketched out a cooperative strategy for the unsolved Chinese-Soviet disputes and the future Soviet policies in the Asia-Pacific region. Thus, with the Soviet withdrawal and the
improvement of Chinese-Soviet relations, China took the opportunity to seize a foothold in the Spratlys with force in 1988.

Again, in 1994, about two years after the U.S. withdrew its troops from the Philippines and closed the navy base at Subic Bay, China occupied the Mischief Reef, which was in the eastern Spratlys and claimed by the Philippines. When the Philippines found out China’s occupation of Mischief in early 1995, tensions flared up in the region. Military clashes were eventually avoided due to the backing down of the Philippines.

Other factors might have also pushed Chinese escalation policy in 1974 and 1988, but I believe they did not play the decisive role in policy-making. For example, one possible influential factor for the Paracel battle was South Vietnam’s provocative actions on the disputed islands at the time. Indeed, Chinese official statements issued during and after the Paracels operation declared that the operation was a self-defensive counter-attack against South Vietnamese provocations, including its repeated claims to the Paracel and Spratly Islands in July 1971 and its administrative decision to officially incorporate the Spratly Islands into Phuoc Tuy Province in September 1973.  

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453 China seized Mischief Reef and built constructs on it in late 2012 during the monsoon season, so the Philippine patrol ships did not find out Chinese occupation until February 1995.

454 People’s Daily, 20 January 1974, 1; People’s Daily, 30 January, 1974, 1; People’s Daily, 5 February, 1974, 1.

455 On April 20th, 1971, the Saigon Administration once again re-affirmed that the Spratly Islands are Vietnam’s territories. This affirmation of Vietnam’s sovereignty over the Islands was repeated by the Sài Gòn Administration’s Foreign Minister in the July 13th, 1971 press conference. In July 1973, the Institute of Agricultural Research under the Ministry of Agricultural Development & Land conducted its investigation on Namyit (Nam Ai or Nam Yet) within the Spratly Islands. In August 1973, the Saigon Administration’s Island Ministry of National Planning & Development, in collaboration with Marubeni Corporation of Japan, conducted an investigation on phosphates in the Paracel Islands. On September 6th, 1973, the Saigon Administration annexed the islands of Spratly, Itu Aba, Loaïta, Thitu, Namyit, Sin Cowe
Nevertheless, these activities were not new to China at all. Similar declarations and administrative decisions had been made by the South Vietnamese government during the 1950s and 1960s. So why was China willing to tolerate similar activities then but not any more in 1974? As Chin-kin Lo has observed, if the administrative decision of 1973 constituted a serious provocation, the South Vietnamese government’s actual presence on the Paracel Islands since the 1950s should have long been considered as intolerable. For Lo, the ‘provocations’ were no more than a convenient excuse for China’s military operation.\footnote{Chin-kin Lo, \textit{China’s Policy Towards Territorial Disputes}, 58.} “By 1974, China’s leader must have concluded that if they did not act, they would be increasingly vulnerable in the South China Sea, especially if the Soviet Union assumed control over the Paracels as a forward base for operating against China.”\footnote{Fravel, \textit{Strong Borders, Secure Nation}, 287.} U.S. withdrawal from the region offered a perfect opportunity for China to apply aggression.

The 1988 Spratly battle was also argued to be “accidental” and not planned by China’s top leadership.\footnote{M. Taylor Fravel made this argument when he was interviewed by \textit{Sinica Podcast}. The interview record is available at http://popupchinese.com/lessons/sinica/the-state-of-the-navy.} At the time, then-PLAN commander Chen Weiwen was even removed from his position after the battle for his unauthorized decision to open fire on the Vietnamese navy on 14 March 1988, which seems to support this argument.\footnote{Lu Qiming, \textit{Da Hai Jiang Xing: Nansha Haizhan Biandai Zhihuiyuan Chen Weiwen Jishi} [Chronicle of Chen Weiwren, the Commander in the Spratly Battle], 2003. This unpublished chronicle was written in a style of reportage d chronicle, The author claimed that no Chinese press was willing to publish it. Part of the work was posted on the internet and cited by several Chinese websites, e.g. http://bbs.tiexue.net/post_5178385_1.html} However, as discussed earlier, China had conducted escalatory activities in the Spratlys (Sinh Ton), the Northeast and Southwest Cays, and other adjacent islands into Phuoc Hai Commune, Dat Do District, Phuoc Tuy Province.
much earlier than March 1988. Confrontations between Chinese and Vietnamese in the region had already occurred months earlier. In addition to repeated air patrols and extensive surveying operations, China had also executed military exercises and set up steles on eleven unoccupied reefs. More importantly, the strategic locations of Fiery Cross Reef and the other six reefs that PLAN seized in the battle revealed that they were carefully chosen to be footholds. Therefore, even if firing at the Vietnamese on 13 March 1987 was not an order from the top, the decision to send the navy in was “a centralized, high-level one.”

CHAPTER 6: THE CHINESE-JAPANESE OFFSHORE ISLAND DISPUTES

This chapter examines the disputes between China and Japan over the Diaoyu Islands (known in Japan as the Senkaku Islands) in East China Sea.\(^{461}\) China has kept using a delaying strategy toward the Diaoyu issue regardless of the changes in the territorial values of the Diaoyu Islands. This is consistent with the major finding of Chapter 5—that it is opportunism rather than the value of contested territory that has been dominating China’s policy toward its offshore island disputes. There the lack of a “window of opportunity” in the East China Sea has prevented China from adopting an escalation policy despite the ups and downs of the territorial values of Diaoyu.

6.1 Historical Background

The Diaoyu Islands are a group of uninhabited islets and rocks in the East China Sea. They are about 170 km northeast of Taiwan, 350 km east of the Chinese mainland and 410 km southwest of the Japanese island of Okinawa (see Map 6.1). The disputed islands cover a total area of about 6.3 km\(^2\), and the Diaoyu Island is both the biggest with an area of about 3.91 km\(^2\) and the only one with fresh water. Although the largest three islet formations support various tropical plants (e.g. palm trees), the rest are completely barren. China and Japan have officially contested over the Diaoyu Islands since 1970, and both sides hold conflicting claims over the sovereignty of these territories.

\(^{461}\) The islands are also called “Diaoyutai” or “Tiaoyutai” (meaning fishing platform) in Chinese and “Senkaku Gunto” or “Sento Shosho” in Japanese. For purposes of convenience, I will use Diaoyu to refer to the disputed territories.
China asserts that that Diaoyu Islands are China’s rightful territory in all relevant terms—historical, geographical, and legal—and that China is accordingly entitled to indisputable sovereignty over them. Specifically, Beijing claims that China not only discovered and named the Diaoyu islands, but that Chinese have used them as fishing shelters and nautical marks since the fourteenth century, earlier than anyone else in the region. The islands have long been under China’s jurisdiction and incorporated into the scope of China’s coastal defense, an assertion that can be supported by historical documents and maps, both Chinese and non-Chinese. The Diaoyu Islands were ceded to Japan in the unequal Treaty of Shimonoseki after the 1895 Chinese-Japanese War, but were returned to China after World War II in accordance with the Cairo Declaration (1943), the Potsdam Proclamation (1945) and the Japanese Instrument of Surrender

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463 Ibid.
(1945). It was thus illegal and invalid that the United States included the Diaoyu Islands under its trusteeship in 1951, and subsequently “returned” the power of administration over Diaoyu to Japan in 1971.

Japan responds that the islands remained unoccupied as of 1885 according to Japanese surveys, and they were formally incorporated into Japan as terra nullius (empty land or unclaimed territory) in 1895, a few months before China ceded them along with Taiwan to Japan. The islands were included in “Nansei Shoto” along with the Ryukyu Islands and placed under the trusteeship of the United States under the San Francisco Peace Treaty in 1951. They were returned to Japan, together with the Ryukyu Islands, under the Okinawa Reversion Agreement in 1971. Actually, Japan emphasizes that a legitimate legal dispute over the Diaoyu Islands does not exist; neither Mainland China nor Taiwan had questioned Japanese sovereignty over the islands until 1970, when the question of the development of petroleum resources on the continental shelf of the East China Sea came to the surface.

464 In the Cairo Declaration it says “…that all the territories Japan has stolen from the Chinese, such as Manchuria, Formosa, the Pescadores, shall be restored to the Republic of China. Japan will also be expelled from all other territories which she has taken by violence and greed.” and in Article 8 of the Potsdam Proclamation it reads “The terms of the Cairo Declaration shall be carried out and Japanese sovereignty shall be limited to the islands of Honshu, Hokkaido, Kyushu, Shikoku and such minor islands as we determine.” In the Japanese Instrument of Surrender it reads “We hereby undertake for the Emperor, the Japanese Government and their successors to carry out the provisions of the Potsdam Declaration in good faith.” The text of these three documents are available at http://www.ndl.go.jp/constitution/e/etc/constitution.html

465 As M. Taylor Fravel explains, denial of a dispute is not uncommon in conflicts over territory. When one side controls all of the territory being contested, it often states that there is no dispute. For example, South Korea claims that there is no dispute over the Dokdo / Takeshima Islands that are also claimed by Japan; China states that there is no dispute over the Paracel Islands that are claimed by Vietnam. M. Taylor Fravel, “Something to Talk about in East China Sea,” The Diplomat, 28 September 2012.

Here it is worth noting, contrary to this account, that when the Okinawa Reversion Agreement was issued it was immediately challenged by the government of Taiwan and Mainland China and prompted strong anti-Japan protests from domestic and overseas Chinese. Under protest pressure and also with the intention of improving relations with the Chinese government, the Nixon administration in the U.S. issued a declaration in October 1971 which took a neutral stance over the Diaoyu dispute and stated that the Okinawa Reversion Agreement did not affect the legal status of the Diaoyu Islands at all, and whatever the legal situation was prior to the treaty was going to be the legal situation after the treaty came into effect. It also declared that “…Having the administration rights returned does not work to the advantage of the Japanese claims. Nor should it work to the disadvantage of any other country’s claims.” Regardless, the Japanese government has taken de facto control of the Diaoyu Islands since 1971 and declared an EEZ around Diaoyu in 1996. At the same time, China’s government has persistently contested over the islands and claimed that Japan’s activities in the area violate China’s territorial sovereignty.

6.2 The Disputed Territory and their Value

6.2.1 Economic Value of the Diaoyu Islands

The high economic value of Diaoyu comes from the rich fishery resources and oil and natural gas deposits surrounding the islands. According to the Ministry of

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468 Yoichi Funabashi, Alliance Adrift, 405.
Agriculture of China, the Diaoyu Islands’ fishing area covers 12,000 km² and the annual yield of fishery resources exceeds 150,000 tons. More than 1,000 fishing boats from coastal provinces of China, such as Fujian and Zhejiang, go to waters off the islands every year. They were able to fish in waters within 12 nautical miles of the Diaoyu Islands until the mid-1990s, when Japan declared the EEZ and began to constantly send Coast Guard vessels (formerly the Maritime Security Forces) to expel Chinese fishermen from this area. In terms of the oil and gas reserves, the United Nations Economic Commission for Asia and the Far East reported in May 1969 that a large hydrocarbon deposit may exist in the continental shelf near the islands. China started to explore oil and gas deposits in the East China Sea area as early as 1974 and discovered the first field, the Pinghu Oil & Gas Field, in 1982. By 2000, a few more big oil and gas fields had been found, including Chunxiao, Tianwaitian, Duanqiao and Longjing (see Map 6.2).

Map 6.2 Chinese Oil and Gas Fields in the East China Sea

Source: http://www.eia.gov/countries/regions-topics.cfm?fips=ECS

Yang Jingjie and Qiu Yongzheng, “Diaoyu Islands Fish are Chinese,” Global Times, 27 September 2012. According to the 1996 statistical figures provided by the ROC Government Information Office informational pamphlet, the fishermen from Taiwan captured annually as much as 54,000 tons of fish in the area around the Diaoyus before 1996. However, the number has dropped to 3,400 ton per year recently because of the harassment of Japanese Coast Guard vessels. See An Objective Evaluation of the Diaoyutai Islands Dispute (1996) at http://www.taiwanembassy.org/ct.asp?xItem=308043&ctNode=2237&mp=1

6.2.2 Change in the Economic Value

Figure 6.1 the Evolution of the Economic Value of the Diaoyu Islands

There have been three points at which the economic value of Diaoyu increased markedly in the past four decades. Similar to the case of the South China Sea islands, the first increase occurred in 1969 when the ECAFE survey reported the potential hydrocarbon deposit around the islands; the second happened in 1982 when the UNCLOS extended the territorial water of the islands and granted them 200-nautical mile Exclusive Economic Zones. And finally, declining fishery resources close to Chinese shores led to the third surge in the economic value of the Diaoyu Islands in the mid-1990s, particularly for China: “Before 1996, the waters close to shore were abundant with fishery resources. However, overfishing and environmental degradation have left the area almost barren. Even the most experienced fishermen may come home empty-handed.” 471 Such a situation has prompted Chinese fishermen to sail to waters off the Diaoyu Islands where the fishery resources are abundant, despite potentially higher risks of confrontations with Japanese patrol vessels.

Meanwhile, China’s craving for energy resources has also accelerated the appreciation of the Diaoyu Islands. The natural gas and oil reserves surrounding Diaoyu

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are much closer to mainland China than those in the South China Sea, and are therefore more feasible to be developed. China started drilling in the uncontested Pinghu field in November 1998. Since then, the Pinghu field has played an important role in the economic development of East China (the Shanghai area in particular). Yet Pinghu’s production has steadily declined after reaching a peak in the mid-2000s. This situation has made the hydrocarbon resources in the Diaoyu area more valuable and tempting to China.

6.2.3 Military Value of the Diaoyu Islands

Both sides often emphasize the geostrategic importance of the Diaoyu Islands. First of all, the Diaoyu islands, lying between China and Japan, can not only serve as an offensive springboard for either side, but also play an important role in their national defense. “Although the islands are uninhabited or barren, it is still possible and desirable to establish a radar system, a missile base, or a submarine base on the biggest Diaoyu Island…The islands’ potential for future military use and implications for national defense and security seem attractive to both claimants.” In fact, Japan had already built a heliport on the Diaoyu Island as early as 1979. Moreover, attached to sovereignty

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472 The natural gas has been delivered to Shanghai through submerged pipeline since 1999.

473 Pinghu’s oil production reached a peak of 8,000 to 10,000 barrels per day in 2001 and the gas production reached a peak of 40 to 60 million cubic feet in the mid-2000s. The annual oil production from 2000 to 2006 were (unit: 10 kilo-tons) 52.73, 58.93, 44, 38, 31.86, 25.3 and 21.5. Recently, the production of oil dropped to about 400 barrels of oil per day. See the analysis report by U.S. Energy Information Administration, 25 September 2012, http://www.eia.gov/countries/regions-topics.cfm?fips=ECS

over the islands is sovereignty over the nearby waters and airspace above these same islands and waters. Consequently, “Should either China or Japan legally secure the sovereignty over the islands, they would grant their owner an advantage in military security with a prolonged and enlarged frontier, putting the other side into a disadvantaged position.”

Second, in order to access the Pacific China needs to break through two island chains, and the Diaoyu Islands lie right next to one of the major breaches in the first island chain. The islands are therefore extremely important from a strategic standpoint. All Chinese naval bases face either the East or South China Sea, so in order to enter the western Pacific, naval ships must pass through either the Miyako Strait (a waterway between Okinawa Island and Miyako Island) or the Bashi Channel (a water between Taiwan and the Philippines). And because most Chinese fleets deployed in the western Pacific are based at Ningbo, south of Shanghai, the Miyako Strait has consequently been the more efficient route for PLAN to access the Pacific Ocean (see Map 6.3 and 6.4).

475 Seokwoo Lee, “Territorial Disputes among Japan, China and Taiwan concerning the Senkaku Islands,” Boundary & Territory Briefing 3, no.7 (2010), 8.

476 Seokwoo Lee, “Territorial Disputes among Japan, China and Taiwan concerning the Senkaku Islands,” 71.

477 Beijing believes that the United States intends to seal off Chinese advancement into the Pacific by building navy bases along the chains.

478 Another alternative would be to use the Tsugaru Strait (a channel between Honshu and Hokkaido in northern Japan connecting the Sea of Japan with the Pacific Ocean). But traversing Sea of Japan via the Tsugaru Strait would mean making a much longer voyage and, more importantly, coming under Japanese, South Korean, and Russian scrutiny—something no doubt undesirable from the viewpoint of military operations. Akimoto Kazumine, “The Strategic Value of Territorial Islands from the Perspective of National Security,” Review of Island Studies, October 9, 2013, http://islandstudies.oprf-info.org/research/a00008/. Translated from “Tōsho no senryakuteki kachi,” Tōsho Kenkyū Journal 1 (June 2012): 54–69.
Map 6.3 Two Island Chains (★ is the location of Ningbo)

Source: The Pentagon, cited first by www.economist.com

Map 6.4 Route Used by Chinese Naval Vessels: The Miyako Strait

Source: http://islandstudies.oprf-info.org/research/a00008/
Source: chinesenavyinfo.wordpress.com
A Chinese naval fleet crossed the first island chain via the Miyako Strait to enter the western Pacific for the first time in 2008. And since then, Chinese fleets have been regularly moving into the western Pacific through the Miyako Strait, including four vessels which sailed into the Pacific through the Miyako Strait in November 2008, five vessels in June 2009, six vessels in March 2010, ten vessels in June 2011, and eleven vessels in June 2011. Thus if China owned the Diaoyu Islands its navy would have a much freer hand both in conducting its operations in the area, and in securing its advance into the Pacific.\(^{479}\)

6.2.4 Change in the Military Value

![Figure 6.2 the Evolution of the Military Value of the Diaoyu Islands](image)

The military importance of Diaoyu has been affected by the development of Japanese military capabilities and Chinese-Japanese relations. First, Japanese military capabilities have been steadily strengthened in the post-WWII era.\(^{480}\) After Japan was

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\(^{479}\) It is worth noting that the strategic importance of Diaoyu should not be overly stated. The biggest and most vital breach in the first island chain is the Bashi Channel between Taiwan and the Philippines. None of the smaller breaches has the strategic military significance of the Bashi Channel. Avery Goldstein’s personal correspondence.

defeated in World War II, a new constitution for post-war Japan, the “Peace Constitution,” was enacted in 1947. In order to prevent Japan from again having the ability to militarily threaten regional and international peace, Article 9 was added to the new constitution. Article 9 outlaws aggression and denies Japan any offensive military forces at all. It dictates that Japan’s defense must not be militaristic, and any military establishment is not permitted even if Japan has the industrial capability to develop it.

However, the outbreak of the Korean War in 1950 undermined the restrictions of Article 9 only three years after its adoption. Most American occupation troops were transferred to the Korean theater, leaving Japan virtually helpless to counter internal disruption and subversion as well as potential external threats. This situation necessitated the creation of a “National Police Reserve” (NPR) in Japan. Members of the NPR were equipped with light infantry weapons and later developed into the Self-Defense Force (SDF). At the same time, the war forced the United States to abandon its notion and policy of keeping Japan disarmed, seeing it as an important ally in the struggle against Communism during the Cold War. On 8 September 1951, the United States and Japan signed the first Mutual Security Treaty, which provided the initial basis for Japan’s security relations with the United States. Later, Japan announced its individual military security policy – the Basic Policy for National Defense (BPND) – in May 1957. The BPND opened the door to the buildup of more and new kinds of SDF military capabilities. Furthermore, Japan’s First Defense Build Up Program (1958-1961) produced a quantitative increase in Ground Self-Defense Force strength to compensate for the phased
withdrawal of US ground troops from its territory. Thus, Japan had successfully started its restoration of military capabilities.\(^{481}\)

The Vietnam War (1959-75) led to another crucial change in Japan’s military policy. United States’ involvement in the Vietnam War made Japan more significant in terms of American strategy, since Japan’s rapid economic growth gave it a greater capability to provide assistance, especially intelligence technology, to the American army. In an effort to cooperate with the American army and also strengthen its defense, Japan devised “The Second Defense Build Up Program” (1962-1966) and “The Third Defense Build-up Program” (1967-1971). The former augmented Japan’s Maritime and Air SDF through increased weapons procurements; and the latter concentrated on qualitative improvements in Japan’s naval defense in Japanese peripheral waters and air defense in vital territories with high-technology scouts.

Thus, Japan’s military policy underwent a gradual but significant transition between the 1950s and 1970s, as defense forces developed from total disarmament to a strong and well-equipped military. During this time China did not have much advantage over Japan especially regarding military technology and equipment. Were a military conflict between China and Japan to occur, the occupation of Diaoyu would provide China a logistical foothold to conduct sustained operations and disrupt Japanese military and economic activity.

Fortunately, when the Diaoyu issue emerged in the early 1970s China and Japan were in the process of improving their relationship. The two countries normalized their bilateral relationship in 1972 and signed the Treaty of Peace and Friendship in 1978. The

\(^{481}\) Ke Wang, “Japan’s ‘Defense’ Policy,” 89.
military salience of Diaoyu correspondingly decreased in the 1970s, and the Chinese-Japanese relationship by and large remained stable in the following decades. Such a relationship is characterized as “hot economics, cold politics” (jingre zhengleng in Chinese or keinetsu seirei in Japanese).\(^{482}\) It means that economically the two countries have been more and more interdependent and integrated through lucrative trade and investment; politically, they have stable but not necessarily warm relations. Although lack of mutual trust and unsolved historical issues (including the Diaoyu dispute) constrained fundamental improvements in their relations, economic interdependence decreased the possibility of military conflicts between the two countries.

However, the military importance of the Diaoyu Islands has been rising again since 2009 in step with the Obama administration’s strategic “pivot” from the Middle East to East Asia. It is worth noting first that although the Obama administration declared that the United States was “back in Asia,” American military power has never really left East Asia. The U.S. withdrew its military forces from Vietnam and the Philippines in the 1970s and 1990s, but it has well maintained its military bases in South Korea and Japan in the post war era. In particular as America is one of Japan’s most important strategic allies, Japan has the biggest American military in the region: Over thirty-five thousand American military personnel are deployed in Japan, the United States Seventh Fleet is based in Yokosuka, the Third Marine Expeditionary Force is based in Okinawa, and hundreds of fighters are stationed in the Misawa Air Base, Kadena Air Base and other

bases (See Map 6.5). U.S. forces in Japan have worked together with U.S. forces in Korea and Guam to maintain U.S. leverage in the region and deter potential military threats from China or North Korea.

Map 6.5 U.S. Military Bases in Japan

In addition to the military bases in South Korea, Japan and Guam, the United States has set up new base facilities at Changi of Singapore in 1998 and signed a new Visiting Forces Agreement with the Philippines in 1998-99, following the Third Taiwan Strait crisis in 1995-96. After Obama took office in 2008, the United States has not only deepened U.S. alliances with South Korea and Japan and reinforced its military ties with the Philippines, but also worked to nurture its military cooperation with India, Vietnam, Australia and Thailand.483 Two weeks after winning the second term, President Obama

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483 In August 2014 the U.S. and Australia signed a “Force Posture Agreement” that “will see 2500 US Marines and dozens of US war planes and warships exercising and replenishing at Australian ranges and bases…The talks will also open the way for Australia to become part of America’s global ballistic missile shield[.]” ‘New Agreement for thousands of US troops to train in Australia,” reported at www.news.com.au on 12 August, 2014.
made his first post-election foreign trip and visited three of China’s neighboring countries – Thailand, Burma and Cambodia. The Obama administration has insisted that its ‘Pivot to Asia’ aims to rebalance the power in Asia and it is not purely military or all about China; however, there has been strong perception in China that all of these are part of America’s “China containment policy” and tightening the ring of military encirclement of China in the Asia-Pacific region. With such a perception, the importance of Diaoyu as a key theatre of operations and military access point has been emphasized by the Chinese side.

6.2.5 Symbolic Value of the Diaoyu Islands

Compared to the remote South China Sea islands, the Diaoyu Islands have more symbolic significance for China for many reasons. First, located near to the mainland and Taiwan, the Diaoyu area has served as a major fishery field for Chinese people since ancient times. Chinese fishermen (mainly from the southeast coast of mainland China and Taiwan) have made a living by fishing in this area and used the islands as operational and sheltering bases for generations. They therefore feel a strong historical bond to the disputed territory.

Second, bitter memory of historical conflicts between Chinese and Japanese has given the Diaoyu Islands high nationalist significance. From the 1894-95 First Chinese-Japanese War (aka. the War of Jiawu), to the 1937-45 Second Chinese-Japanese War (the Eight-year Anti-Japanese Invasion War) including human experiments in eastern China and the Nanjing Massacre, the hatred, grievance and distrust that Chinese have towards Japanese has been enduring and deep-rooted. Diaoyu, as the biggest of the remaining
issues between China and Japan (others include history textbooks, comfort women, abandoned chemical weapons) has often reminded Chinese of the pain and humiliation that Japan brought to their nation. Consequently for Chinese the dispute over Diaoyu is not only a territorial issue, but also a matter of national dignity and historical memory.

Third, the symbolic value of Diaoyu also comes from its connections with the Taiwan issue. Despite the political stalemate between China and Taiwan, both governments agree that the islands are part of Toucheng township in Taiwan’s Yilan County. China’s government asserts that the Diaoyu Islands have “always been affiliated to China’s Taiwan Island both in geographical terms and in accordance with China’s historical jurisdiction practice.”\footnote{See the latest Chinese government’s White Paper on Diaoyu Islands. \url{http://www.chinadaily.com.cn/hqzx/2012-09/25/content_15786056.htm} (Chinese version) and \url{http://www.scio.gov.cn/zxbd/wz/201209/t1222676.htm} (English version).} Thus, “China’s claim to the Diaoyu Island and its claim to Taiwan are largely interdependent… Beijing sees the Diaoyu Islands as a part of Taiwan and validates its claim to the islands by its claim to Taiwan.”\footnote{Zhongqi Pan, “Sino-Japanese Dispute over the Diaoyu/Senkaku Islands: The Pending Controversy from the Chinese Perspective,” \textit{Journal of Chinese Political Science} 12, no. 1 (2007), 86.} If the Chinese government compromised on the sovereignty over Diaoyu, or formally accepted the ‘legality’ of Japan’s control, its claim over Taiwan might be jeopardized.\footnote{Ibid.} In a nutshell, China’s claimed sovereignty over Diaoyu symbolizes for many Chinese (and Taiwanese) its concurrent sovereignty over Taiwan.
6.2.6 Change in the Symbolic Value

Figure 6.3 the Evolution of the Symbolic Value of the Diaoyu Islands

The symbolic value of Diaoyu has increased significantly over time in step with rising Chinese nationalism. As explained in Chapter 2 and 3, the combination of China’s rapid economic growth and the West’s China containment policy following the Tiananmen Square Protest has boosted Chinese nationalism since the middle of 1980s. And Chinese nationalism has been further bolstered by the nationwide “Patriotic Education Campaign” which was launched by the Chinese government in 1991, carried out at a full scale in 1992, and heightened even more in 2001 after both the American bombing of the Chinese Embassy in Belgrade in May 1999, and the U.S.-China midair collision near the Hainan Island in April 2001.487

As China’s traditional rival and the most important American ally in Asia, Japan has become one major target of Chinese nationalist discontent. In Figure 6.4 below we can see that the anti-Japan sentiment in mainland China was particularly high following two big rounds of “Patriotic Education Campaign” (the first one was launched in 1991 and the second in 2001).

487 See Chapter 5 of this dissertation.
Meanwhile anti-Japanese sentiment was also stirred by the actions of Japanese right-wing groups or politicians, including visiting the Yasukuni Shrine, revising history textbooks and landing on the disputed islands. For example, the first explosion of anti-Japanese sentiment in mainland China after the two countries normalized the relationship broke out in 1985, sparked by the Japanese Prime Minister’s visit to the Yasukuni Shrine. “Although those ultranationalists are only a small fraction of the Japanese population, the political disturbance they spark has been too boisterous for the

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488 The author coded 16 cases in which protests in mainland China were prevented by the government, whether by arresting participants at the outset of a protest or by taking special measures to curtail the movement of the key organizers.

489 The Shrine is a national religious institution in Japan. Since 1869 it has honored the souls of those who have died in the service of Japan from 1867-1951, so it mostly contains military men. Among the 2.4 million souls enshrined and revered in the Yasukuni Shrine are about 1,000 war criminals from World War II, who were convicted and executed by Allied war tribunals (14 of these criminals are considered A-Class), or who died in jail. Therefore, Japanese politicians’ visiting and worshipping at Yasukuni Shrine is looked as being revisionist and unapologetic about the events of World War II and criticized by the victims of Japan’s WWII aggression, e.g. China, South Korea and Taiwan.
Chinese nationalists to ignore.” As a result, Chinese chose to vent their anger towards the Japanese government by carrying out anti-Japanese demonstrations, boycotting Japanese products, cancelling travel to Japan and organizing anti-Japanese campaigns on internet forums. Notably, the voice for using force to get Diaoyu back from Japan has become particularly loud among Chinese netizens. The advent of the Internet and information technology has not only made it more difficult for the Chinese leadership to censor the dissemination of news that might provoke anti-Japanese feelings, but also made it easier for otherwise small, poorly financed activist groups to mobilize support for their nationalist agenda. For the Chinese nationalists, the contest over Diaoyu is a fight for national dignity, and any compromise on this matter would be a national disgrace.

6.3 CHINESE TERRITORIAL POLICY TOWARD THE DIAOYU ISLANDS

When the Diaoyu issue first came to the surface in the early 1970s, Chinese leadership adopted a “setting-aside” policy toward it. Since then a delaying strategy has

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490 M.G. Koo, Island Dispute and Maritime Regime Building in East Asia, 129.

491 Simon Shen and Shaun Breslin, Online Chinese Nationalism and China’s Bilateral Relations; Xu Wu, Chinese Cyber Nationalism: Evolution, Characteristics, and Implications; Yongnian Zeng, Technological empowerment: the Internet, state, and society in China.

492 M.G. Koo, Island Dispute and Maritime Regime Building in East Asia, 129.

493 The emotional venting rose up to a higher level in the late 1990s. No longer being satisfied with only carrying out anti-Japanese movement at home, nationalist activists from Hong Kong, Taiwan and mainland China had sought to land on the disputed islands for the purpose of demonstrating Chinese sovereignty over the islands. Most notably, seven activists from mainland China (members of the China Federation for Defending the Diaoyu Islands), successfully landed on the Diaoyu Island for the first time and planted the PRC flags on the island on 24 March 2004. The seven activists were detained by Japanese police about 10 hours after landing on the island for violating Immigration Control and Refugee Recognition Law and deported to China 48 hours later.
been maintained despite the fact that there have been six flare-ups of the dispute in the past half century (see Figure 6.5).

**Figure 6.5 the Evolution of Chinese Policy toward the Diaoyu Islands (1950-2012)**

![Figure 6.5 the Evolution of Chinese Policy toward the Diaoyu Islands (1950-2012)](image)

In the early 1970s China was facing the severe security threat posed by a Soviet-Vietnamese alliance. In order to contain Soviet hegemony in the region China had to improve its relations with Japan and the United States. Also, amidst a ten-year radical political campaign and economic stagnation, China did not have the capability to contest with Japan over the Diaoyus in either a diplomatic or military way. Under such conditions Deng Xiaoping, then-Chinese Vice-Premier, proposed a “setting-aside” policy toward Diaoyu in a press conference during his visit to Japan on 25 October 1978. Deng said,

Our two sides agreed not to touch upon this question when diplomatic relations were normalized between China and Japan. This time when we were negotiating the Treaty of Peace and Friendship, the two sides again agreed not to touch on it… We call it Diaoyu Island but you call it another name. It is true that the two sides maintain different views on this question…It does not matter if this question is shelved for some time, say, ten years. Our generation is not wise enough to find common language on this question. Our next generation will certainly be wiser. They will certainly find a solution acceptable to all.\(^{494}\)

\(^{494}\) *Beijing Review*, no.44 (3 November 1978), 16.
The two countries around this time also made first steps of joint development in the East China Sea (the Diaoyu Islands were excluded). A bilateral fisheries agreement was signed on 15 August 1975 and further updated on 11 November 1997. The agreement allows both sides’ governments to protect and rationally utilize the fishery resources in the East China Sea and allows both sides’ fishermen to operate free of regulation in a “Provisional Waters Zone,” which is to the north of the disputed islands (see Map 6.6). Then China and Japan reached agreement on joint petroleum exploration in the disputed area in 2008.

As the daily production of Pinghu field declined and China rose to surpass Japan as the world’s second largest petroleum consumer, Beijing declared in 2003 that it would start the petroleum exploration of Chunxiao field soon. Japan objected to China’s

decision of exploration and worried that drilling would siphon petroleum lying beneath the waters on Japan’s side, even though the Chunxiao field is located on China’s side of a theoretical midway between the two countries. After several rounds of official negotiations, both sides made compromises. In 2008, they not only specified a block in the midway between the countries for the Joint Development Zone (see Map 6.7), but also agreed to conduct joint exploration in the Chunxiao field and share profits from the development. The two sides also agreed to continue talks for joint development in other waters of the East China Sea. Yet, there has been no action of joint exploration in reality between the two sides since 2008. In other words, there is a long way between the agreements on paper and the real action in practice.

There have been six rounds of flare-ups over the Diaoyu Islands between 1978 and 2012—all of them arguably initiated either by aggressive Japanese actions towards the islands or (as in 2010) what might charitably be called “unfortunate circumstances” for both sides. And importantly, in response to each of these flare-ups China’s government has maintained a delaying policy, consistently trying to ease tension and maintain the status quo, rather than pursue a “winner take all” military resolution. I summarize these flare-ups in Table 6.1 and give a more detailed analysis of the most recent confrontation.

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Table 6.1 The Flare-ups of the Diaoyu Dispute (1978-2012)

<table>
<thead>
<tr>
<th>Date</th>
<th>Initiator</th>
<th>Peak</th>
<th>Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>1978</td>
<td>Japanese rightists urged the resolution of the Diaoyu Islands dispute and erected a lighthouse on the Diaoyu Island</td>
<td>More than one hundred Chinese fishing trawlers surrounded the islands</td>
<td>Both governments restrained their reactions and put efforts on defusing the tension</td>
</tr>
<tr>
<td>1990</td>
<td>Japanese government reportedly accepted the application of recognizing the official status of the lighthouse built in 1978; Japanese rightists landed on the island and repaired the lighthouse</td>
<td>Chinese government condemned and protested Tokyo’s actions.</td>
<td>Governments on two sides agreed to avoid further provocative actions. Japanese government denied the official status of the lighthouse</td>
</tr>
<tr>
<td>1996</td>
<td>Japanese rightists erected a new lighthouse</td>
<td>The PLAN practiced blockade of island chain and military surveillance around the islands; Another round of “Protect the Diaoyu Island” movement was carried out in China</td>
<td>Both governments carefully prevented political activities from igniting antagonism on the other side and downplayed the issue</td>
</tr>
<tr>
<td>2004</td>
<td>Japanese patrol vessels attacked two Chinese fishing vessels near the islands on 15 January 2004; Seven activists from Mainland China landed on the Diaoyu Island on 24 March 2004</td>
<td>A series of emotionally charged demonstrations were held on both sides</td>
<td>Chinese government restricted the activities of its citizens at home and around the islands, and imposed heavy controls on the media, Internet and mobile phones</td>
</tr>
<tr>
<td>2010</td>
<td>Two Japanese patrol vessels collided with one Chinese fishing trawler on 7 September 2010 in disputed waters near the islands. Japan’s coast guards arrested the Chinese captain</td>
<td>China repeatedly demanded the release of the captain and stated that it reserved the right to make further action. China stopped exporting rare earth to Japan. Large-scale protests were held on both sides</td>
<td>Chinese government played down the incident and described it as a “regular fishery case.” Japan released the captain without charge and deported him home</td>
</tr>
<tr>
<td>2012</td>
<td>The right-wing Japanese politician announced plans to purchase three of the disputed islands from their current private “owner” on 16 April 2012.</td>
<td>Japanese government nationalized three of the Diaoyu islands on 10 September 2012. Biggest anti-Japanese protests in 40 years were held in over 90 Chinese cities that were initially peaceful and later became violent</td>
<td>Chinese government suppressed protests on 19 September 2012. High-ranking diplomats from China and Japan held secret talks over the Diaoyu Islands in September and October 2012</td>
</tr>
</tbody>
</table>
6.3.1 The 2012 Flare-up

The 2012 flare-up of the Diaoyu Islands dispute was sparked when Shintaro Ishihara, a far right-wing Japanese politician and then governor of Tokyo, announced plans to purchase three of the disputed islands from their current private “owner” (the Kurihara family) on 16 April 2012, and the Noda administration shortly stepped in with its own offer to effectively “nationalize” the Diaoyu Islands. It remains controversial whether Prime Minister Noda worked with or against Governor Ishihara in this event and whether there was a political conspiracy between them. In any case, the Noda administration nationalized three of the Diaoyu Islands on 10 September 2012, notwithstanding sharp protests from China.

The actions of Ishihara and Noda infuriated Chinese. On 15 August 2012, the 67th anniversary of Japan’s WWII surrender, 14 Chinese activists sailed to the disputed islands from Hong Kong and 5 of them landed on the Diaoyu Island carrying the Chinese and Taiwan flags (see Figure 6.6). Japanese authorities arrested the 14 activists and deported them two days later. Anti-Japanese demonstrations broke out in the major

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497 The Noda administration states that Ishihara’s decision did not get the apparent knowledge or approval of Premier Minister Noda. The Noda administration stepped in and nationalized the islands to enhance the government’s control over the islands, thereby reducing the potential confrontations between Japan and China, caused by Japanese citizens’ access to the islands. Yet, some Chinese politicians and observers think that it is very likely that Premier Noda and Governor Ishihara worked together on the Diaoyu issue to cater to Japanese nationalism and gain support from the Japanese public for the next Japan’s general election that will be hold in August 2013; meanwhile, changing the status quo of Diaoyu would anger Beijing to response aggressively, which would stir up the anti-Chinese sentiment in Japan and justify the call for Japan’s re-militarization. See Yaping Wang, “Diaoyu Islands: China and Japan Puzzled at the 40th Anniversary” [Diaoyu Dao: Zhongri Sishi er Huo], Carnegie Endorsement for International Peace Publication, 2 October, 2012; Douglas Paal, “Japan-China: Time to Climb Down,” Asia Pacific Policy Brief, 29 September 2012.

498 Japanese government paid the Kurihara family about two billion Japanese Yen (appropriate 26 million US Dollar) for these three islets.

cities of China on 19 August 2012 and further escalated near the time of the anniversary of the “September 18 Incident.” During September 15 and 18, the biggest anti-Japanese demonstrations and boycotts since the 1972 normalization of Chinese-Japanese relations were held at over 90 Chinese cities; and in some of these cities Japanese cars and restaurants were demolished by angry protestors. On September 19, the Chinese government officially deployed police to suppress existing protests.

Figure 6.6 Chinese Activists Landed on the Diaoyu Island

Source: http://cmp.hku.hk/2012/08/16/26013/

The fuming response of Chinese citizens is not surprising or unfamiliar considering their strong anti-Japanese protests in previous flare-ups. What is noteworthy is that the response of China’s government to the 2012 flare-up, to keep the mass protests

500 The “September 18 Incident” was a staged event engineered by Japanese military personnel as a pretext for invading the northern part of China. On September 18, 1931, a small quantity of dynamite was detonated by Lt. Kawamoto Suemori close to a railroad owned by Japan’s South Manchuria Railway near Mukden (now Shenyang). Although the explosion was so weak that it failed to destroy the lines and a train passed minutes later, the Imperial Japanese Army accused Chinese dissidents of the act, responded with a full invasion that led to the occupation of Manchuria, in which Japan established its puppet state of Manchukuo six months later.

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under control, was stronger than it had been in previous confrontations, and this while it still maintained a delaying strategy.

During this round of flare-up, in addition to strongly protesting Japan’s islands purchase and reasserting its sovereign claim over the Diaoyu Islands, Beijing on 10 September 2012 announced for the first time the concrete baselines of the territorial water of the Diaoyu Islands and their affiliated islets. By stating its sovereign entitlements so concretely, this “implies that China needs to follow it up with actions.”  

Indeed, the Chinese government shortly announced the end of the fishing moratorium and sent about 1,000 fishing boats together with 6 patrol and surveillance ships to waters near the Diaoyu Islands on 17 September 2012. Subsequently, China issued a white paper on the Diaoyu Islands on 25 September 2012, asserting its indisputable sovereignty over these islands and its firm determination to safeguard its territorial integrity and maritime interests. Amid the heated dispute, China’s navy conducted a 3-day drill in the East China Sea on 19 October 2012, aiming at improving coordination between navy warships and paramilitary patrol vessels, as well as “sharpening their response to emergencies in order to safeguard China’s territorial sovereignty and maritime interests.”  

According to the report by China Central Television (CCTV), the drill was held as close as 30 miles away from the Diaoyu Islands. China further flexed its military muscle by unveiling its second stealth fighter jet (J-31) on 31 October 2012. The J-31 is reported to be much

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503 The video of the CCTV report on the navy drill is available at [http://www.iocean.net.cn/zt/dyd/video/v040.html](http://www.iocean.net.cn/zt/dyd/video/v040.html)
lighter and more maneuverable than the first stealth fighter (J-20), which made its first flight in January 2011.

Renmin Ribao [the People’s Daily] published an article on 22 October 2012 criticizing Japan’s provocative moves over the Diaoyu issue in 2012. It says:

“…If this [nationalizing the Diaoyu islands] can be tolerated, what else cannot! ... Japan’s illegal ‘purchase’ of the Diaoyu Islands has destroyed the consensus reached by former leaders of the two countries, and changed the status quo of the issue. The issue is no longer what it used to be [emphasis add].”

Chinese netizens argued that this article signaled that Beijing would likely use force over the Diaoyus soon because the article used one ‘signal’ sentence, that is, “If this can be tolerated, what else cannot [Shi Ke Ren, Shu Bu Ke Ren].” They pointed out that Renmin Ribao published an editorial called “If This Can be Tolerated, What Else Cannot” on 22 September 1962 and the Chinese-Indian border war broke out 28 days later. Similarly, Renmin Ribao published the article “If This Can be Tolerated, What Else Cannot – the Report from the Chinese-Vietnamese borders” on 17 February 1979, the day when the Chinese-Vietnamese border war broke out. Based on this record, the netizens argued that Beijing was ready to use force over the Diaoyu Islands to ‘teach Japan a lesson’ as it had done to India and Vietnam before.


505 It is interesting that this sentence is not in the English version of this article. See the Chinese version at http://paper.people.com.cn/rmrb/html/2012-10/22/nw.D110000renmrb_20121022_6-02.htm?div=-1 and the English version at http://english.peopledaily.com.cn/90883/7992334.html

506 Some of the Chinese netizens’ discussion can be found at http://bbs1.people.com.cn/post/7/0/1/123763218_1.html,
In retrospect it is hard to tell whether China’s goal in this article was principally to deter Japan or to publish nationalist propaganda under domestic pressure—there were certainly elements of both—but it was clearly not to escalate the situation. Indeed, tension started to ease rather than escalate shortly thereafter. High-ranking diplomats from China and Japan held consultations over Diaoyu in late September 2012 at both the United Nations and Beijing and held unpublicized talks again in Tokyo and Shanghai in October. Although details of the talks were not disclosed, the continuation of consultations that started in September was important to maintaining stability in the East China Sea.

More importantly, Chinese officials began to restate the “setting-aside” policy under different circumstances in 2013. Lt. Qi Jianguo, deputy chief of the General Staff of the PLA, highlighted during the Asia Security Summit held in Singapore in June 2013 that “We should put aside disputes, work in the same direction and seek solutions through dialogue and consultation, particularly when it comes to disputes concerning sovereignty as well as maritime rights and interests.” 507 One month later, Xi Jinping also repeated the “setting-aside” guidance at a special Politburo meeting on the nation’s growing maritime power. “Under China’s system of collective leadership, speeches at Politburo meetings usually reflect the consensus of the participants – in this case, China’s top 25 leaders.” 508 A few days later, Chinese Foreign Minister Wang Yi echoed Xi’s speech by

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stressing that it would *take time* to find a final solution, and consultation and negotiation between the parties concerned is the *fundamental and only* way to reach a final solution.⁵⁰⁹ This indicates that despite the stronger reaction during the flare-up, China’s government still maintained its delaying strategy toward the disputes and made strong efforts to ease the tension as the confrontation developed.

### 6.4 DISCUSSION

**Figure 6.7 Evolution of the Chinese-Japanese Dispute over the Diaoyu Islands**

China has kept using a delaying strategy toward the Diaoyu issue regardless of the changes in the territorial values of the Diaoyu Islands (see Figure 6.7). This is consistent

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with the major finding of Chapter 5—that it is opportunism rather than the value of contested territory that has been dominating China’s policy toward its offshore island disputes. The Diaoyu case shows that a delaying strategy was adopted when the “window of opportunity” is missing.\footnote{Although Beijing had often referred to Deng’s “setting aside” policy as the guiding principle of the Diaoyu issue, it is too simple and wrong to argue that Deng’s speech is the decisive factor in China’s policy-making toward Diaoyu. In fact, Deng also suggested that the principle of “setting aside dispute and pursuing joint development” should be applied to the South China Sea islands disputes, but China used forces on Paracels in 1974 and Spratlys in 1988.}

Not only does Japan possess a strong and professional navy, it is backed up by the American forces and is America’s most important ally in Asia. China recognizes that if it uses force over the Diaoyu, it will run the very real risk of conflict with the United States.\footnote{Christopher W. Hughes, “Japan’s Remilitarisation,” Adelphi Paper no. 403 (International Institute for Strategic Studies, 2009); Jennifer Lind, “Pacifism or Passing the Buck? Testing Theories of Japanese Security Policy,” International Security 29, no. 1 (Summer 2004). M. Taylor Fravel, “Explaining Stability in the Senkaku (Diaoyu) Islands Dispute.”} According to Article V of the 1960 U.S.-Japan Mutual Security Treaty, the U.S. and Japan agree that “an armed attack against either Party in the territories under the administration of Japan would be dangerous . . . and [each party] declares that it would act to meet the common danger in accordance with its constitutional provisions and processes.”\footnote{Ibid.} The U.S. Senate unanimously approved an amendment in early December 2012 that reaffirmed the application of the U.S.-Japan Mutual Cooperation and Security Treaty to the Diaoyu Islands\footnote{This amendment was attached to the National Defense Authorization Bill for Fiscal Year 2013. “U.S. Senate OKs Amendment Backing Japan in Senkaku dispute,” Japan Today, 1 December 2012; “China Opposes U.S. Bill Concerning Diaoyu Islands,” People’s Daily, 4 December 2012.}; and Resolution No. 412, approved by the U.S. Senate on 10 July 2014, explicitly reaffirmed the United States’ unwavering commitment and support for Japan. According to this Resolution, Washington commits to counter any
attempt by Beijing to challenge Japan’s administration of the Diaoyu Islands. Different from the South China Sea region, from which U.S. forces were withdrawn in the postwar era, the East China Sea has always been under the watch of present U.S. military power. If there were a military conflict between China and Japan, the U.S. forces stationed at Japan, South Korea and Guam would be able to intervene immediately. Also, as explained in Chapter 5, because of its weak naval capability China cannot afford to give up its claims over the contested islands. Instead, the islands under this circumstance of weakness are especially strategically important for China to defend its sea frontier and break the encirclement of rivals.

Why didn’t the Chinese government respond more strongly and aggressively during the 2012 flare up? Some China watchers argue that this was because Beijing only attempted to use the dispute to divert attention from China’s once-in-a-decade leadership transition. The 18th National Congress of the Communist Party of China was held in Beijing on 8 November 2012. During this Congress the 4th generation of Chinese Communist Party (CCP) leadership, chaired by Hu Jintao, officially handed over power to the 5th generation, headed by Xi Jinping. The observers believe that Chinese authorities intentionally stoked the anti-Japanese fervor at this sensitive time to rally the masses around the flag and divert attention from the party corruption and the widening wealth gap, thereby ensuring a smooth transition of power.


515 For example, Justin McCurry, “Fresh Anti-Japan Protests Break Out across China,” GlobalPost, 18 September 2012; Ambrose Evans-Pritchard, “Beijing Hints at Bond attack on Japan,” The Telegraph, 18 September 2012.
The diversionary argument sounds reasonable, but it overlooks one crucial problem in this case, that is, the factional infighting within the CCP. Two coalitions are identified within the party – one is led by former President Jiang Zemin’s protégés (the so-called Shanghai Clique [Shanghai Bang]) and the other is led by President Hu Jintao and Premier Wen Jiabao (the so-called Youth League Faction [Tuanpai]). These two coalitions fight with each other over power, influence and policy initiatives. Contrary to the calm and monolithic image that the CCP seems to exude, there is intense infighting going on under the surface. The undercurrent of factional tensions became much more visible in 2012, because of the Wang Lijun Incident and Bo Xilai Scandal.

“Princelings” (leaders who come from high-ranking family backgrounds) have become the core of the Shanghai Gang since the fall of Shanghai party boss Chen Liangyu on corruption charges in 2006. Bo Xilai is a “Princeling” and the primary

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516 For the study of Chinese elite politics, see Alice L. Miller, Joseph Fewsmith and Cheng Li’s pieces on the online periodical *China Leadership Monitor*, such as, Miller’s “More Already on the Central Committee’s Leading Small Groups,” Iss. 44 (Summer 2014); “The New Party Politburo Leadership,” Iss. 40 (Winter 2013); Cheng Li, “Xi Jinping’s Inner Circle” Iss. 44 (Summer 2014); “A Biographical and Factional Analysis of the Post-2012 Politburo,” Iss.41 (Spring 2013); Joseph Fewsmith, “Debating Constitutional Government,” Iss. 42 (Fall 2013); “Bo Xilai and Reform: What Will Be the Impact of His Removal?” Iss. 38 (Summer 2012).


518 Wang Lijun, Chongqing’s former vice mayor and former police chief, entered the U.S. Consulate General in Chengdu without authorization and stayed there on Feb. 6 and 7, 2012. Wang was arrested later and jailed for bending the law for selfish ends, defection, abuse of power and bribe-taking. Bo Xilai, the former Communist Party chief in Chongqing, was expelled from the Communist Party and parliament on 26 October 2012, amid a scandal over his wife’s involvement in the murder of a British businessman. He was accused of corruption, abuse of power and assisting in covering up his wife’s case and has been waiting for trial. “Bo Xilai Scandal: Police Chief Wang Lijun Jailed for 15 Years,” *BBC*, 24 September 2012; Gillian Wong, “China Calls Bo Xilai Scandal a Profound Lesson,” *AP*, 7 November 2012.
political rival of the Youth League faction. He was once considered a high-flyer, tipped for top office. Being a hard left Maoist and charismatic politician, Bo has a large amount of ultranationalist, left-leaning supporters, especially in Chongqing and Dalian where he once governed. Therefore, when Bo was expelled from the CCP and accused of crimes, his supporters claimed that Bo was the victim of a plot to eradicate him and his populist policies. In particular a group of Chinese leftists (the New Left) “have openly accused top leaders of plotting to oust Bo, and even circulated by email and online an extraordinary petition calling for the impeachment of Premier Wen Jiabao.”

An open letter that was signed by more than 700 academics and former officials was published on the Internet to ask the parliament not to expel Bo. As one China scholar points out, “Bo not only represented himself but also a social movement.”

Under such an intense situation, a smooth and peaceful power transition should be President Hu’s primary goal, and the last thing that President Hu and his Youth League

519 It is worth noting that Xi Jinping was also a princeling and a protégé of Jiang. He and Bo Xilai were both the hot candidates for the Party’s top leadership body and competed for the highest position. Different with Bo, who is a hardline leftist, Xi is a liberal and advocate for both economic and political reform.

520 “...Bo was nicknamed ‘the cannon’ because he was always ready to attack his political rivals, including Hu Jintao, Wen Jiabao, ...he was considered a much-needed weapon by the other princelings.” Anton Wishik, “The Bo Xilai Crisis: A Curse or a Blessing for China?,” NBR, 18 April 2012.


525 Anton Wishik, “The Bo Xilai Crisis: A Curse or a Blessing for China?,” NBR, 18 April 2012.
Faction wanted to see would be an unstable domestic and neighboring environment, which their political rivals (e.g. Bo’s supporters and the leftists) could take advantage of. President Hu and Premier Wen should be smart enough to realize that it is dangerous to stoke anti-Japanese anger at this sensitive stage, because the dispute with Japan may help the leftists spread their influence and gain more support from the Chinese populace. In fact, there already were protesters embracing Maoist imagery and slogans and expressing dissatisfaction with the leadership of Hu and Wen in anti-Japanese rallies in a number of Chinese cities in September 2012. In short, the diversionary argument is not persuasive in explaining Beijing’s stance towards the Diaoyu dispute—if anything, China’s new leadership was incentivized to downplay the incident.

Still, China’s disposition during the 2012 flare-up (especially in comparison with previous flare-ups) often appeared to be “winner-take-all” escalation—although I argue that in spirit it was not—for two reasons. First, the initiations of previous flare-ups were mainly actions of Japanese right-wing groups or nationalist individuals, such as visiting the islands and erecting or renovating lighthouses on the islands. In 2012 however, Japan’s moves over the Diaoyu Islands, which included officially naming or nationalizing the disputed islets, were the actions of Japan’s central government. These official actions were a clear exercise of Japan’s sovereignty over the Diaoyu Islands and constituted a serious challenge against China’s claim to Diaoyu sovereignty. This is why the Chinese government’s responses were stronger than before.

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Second, the Chinese leadership needed to show a tougher image to strengthen its authority during the power transition. As explained above, the New Leftist factions are quite influential and have considerable advocates in China. If Hu and Xi’s administrations had adopted a conciliatory attitude toward the Diaoyu issue, they would certainly have received more criticism from the domestic audience. Therefore, they deliberately gave endorsement to public nationalistic sentiments and pushed the anti-Japanese line to a balanced level that could please nationalist protestors and gain their support, but avoid social instability or other potential damages to the power transition. As Xi Jinping stabilized his position in office, he gradually softened his attitude toward the Diaoyu issue and worked on easing the tension over the East China Sea.

In sum, the finding of the Diaoyu case echoes the finding of the South China Sea island disputes – “opportunism” has dominated China’s policy toward the offshore island disputes. The analysis of Chinese-Vietnamese disputes shows that when there was a “window of opportunity” in the South China Sea, namely a power vacuum, China escalated the disputes and used force to seize the features in the contested area. The study of Chinese-Japanese disputes over Diaoyu shows the other side of this pattern – the lack of “window of opportunity” in East China Sea has prevented China from adopting an escalation policy, despite the ups and downs of the territorial values of Diaoyu.

Ironically, it is because of its weak naval capability that China has historically chosen to escalate the island disputes whenever a “window of opportunity” appeared—Beijing sees this as its only opportunity to a gain strategic advantage on contested territories where it otherwise feels militarily vulnerable. Therefore, I suggest that as
China’s naval power becomes stronger, and it feels less vulnerable in the region, China will be less likely to escalate and more likely to cooperate and even make concessions over the disputed islands, particularly if such cooperation can draw allies closer to China rather than the United States (for example, cooperating in such a way that the United States will not gain strategic leverage in these areas, and China benefits militarily). In other words, contradicting the “China Threat” argument, I predict that a stronger Chinese military capability will increase the likelihood of peaceful resolution of Chinese territorial disputes.
CHAPTER 7: CONCLUSION

In this dissertation I have proposed a theory of territorial values and their effects on territorial policies. It emphasizes that the value of a contested territory varies over time, and this variation has independent effects on when and how territorial disputes are approached by claimant states. I hypothesized that a significant increase in the economic value and salience of a territory would facilitate mutual benefits and inspire cooperative resolutions in a “win-win” manner. I also hypothesized that such cooperation was contingent on the absence of high military and high symbolic value to either disputant state, each of which renders a territory effectively indivisible. Finally, I hypothesized that substantial increases in military and/or symbolic value of a territory to a disputant state would push the character of territorial disputes towards a “winner-take-all” contest in which violent escalation is likely.

The basic logic of my hypotheses is composed by three parts. First, whereas it is more feasible for states to “quantify” the economic value of territory and thereby peacefully divide it or trade it with side payments, the abstract “emotional significance” of symbolic territory and the “strategic importance” of military territory are both hard to measure, and equally hard to divide or substitute for. Second, cooperation over territory that has great economic salience is less likely to have “image/reputation losses” for states and leaders than concessions over territory without it. Third, unlike symbolically salient or strategically salient territory, it is more feasible for states to settle separately the ownership and usage of territory that has greater economic value—that is, to achieve a
“functional settlement” that puts aside the ownership of the claimed territory and first works on its usage.

In order to test this theory, I first examined two major Chinese frontier disputes – the Chinese-Russian frontier disputes and the Chinese-Indian frontier disputes. My findings in these two cases are generally consistent with my hypotheses—that is, when the economic value of the contested lands increased and military value declined, China adopted a cooperative territorial policy (1950s in Russia and 1986-2004 in Russia); when military value increased, China turned to an escalation territorial policy (1960s in both Russian and Indian cases, and 1986-89 in the Indian case); and when there was no significant change in territorial value (other than symbolic), a delaying policy was applied (1970s in both Russian and Indian cases and 1990-current in the Indian case). These conclusions hold especially if we ignore changing symbolic value. In other words, compared to the effects of changes in the economic and military value on Chinese policy, changes in symbolic value appear to have played a far weaker role on Chinese territorial policy than my theory predicted. When we ignore the predicted effects of rising symbolic value, my predictions regarding economic and military values hold true. I summarize the findings of these two case studies in table 7.1 and table 7.2 as follows:
### Table 7.1 The Chinese-Russian Frontier Disputes

<table>
<thead>
<tr>
<th>TIME PERIOD</th>
<th>ECONOMIC VALUE</th>
<th>MILITARY VALUE</th>
<th>SYMBOLIC VALUE</th>
<th>PREDICTION BY THE THEORY</th>
<th>CHINESE POLICY</th>
<th>REALITY = THEORY</th>
</tr>
</thead>
<tbody>
<tr>
<td>1950s</td>
<td>↑</td>
<td>↓</td>
<td>↔</td>
<td>Probable Cooperation</td>
<td>Cooperation</td>
<td>Yes</td>
</tr>
<tr>
<td>1960s</td>
<td>↓</td>
<td>↑</td>
<td>↑</td>
<td>Very High Possibility of Escalation</td>
<td>Escalation</td>
<td>Yes</td>
</tr>
<tr>
<td>1970-1985</td>
<td>↔</td>
<td>↔</td>
<td>↔</td>
<td>Probable Cooperating/Delaying</td>
<td>Delaying</td>
<td>Yes</td>
</tr>
<tr>
<td>1986-2004</td>
<td>↑</td>
<td>↓</td>
<td>↑</td>
<td>Probable Escalation</td>
<td>Cooperation/Peaceful Resolution</td>
<td>No</td>
</tr>
</tbody>
</table>

### Table 7.2 The Chinese-Indian Frontier Disputes

<table>
<thead>
<tr>
<th>TIME PERIOD</th>
<th>ECONOMIC VALUE</th>
<th>MILITARY VALUE</th>
<th>SYMBOLIC VALUE</th>
<th>PREDICTION BY THE THEORY</th>
<th>CHINESE POLICY</th>
<th>REALITY = THEORY</th>
</tr>
</thead>
<tbody>
<tr>
<td>1950-1958</td>
<td>↔</td>
<td>↔</td>
<td>↔</td>
<td>Probable Cooperating/Delaying</td>
<td>Delaying</td>
<td>Yes</td>
</tr>
<tr>
<td>1959-1960</td>
<td>↔</td>
<td>↑</td>
<td>↑</td>
<td>Very High Possibility of Escalation</td>
<td>Compromise, prior to escalation</td>
<td>Yes</td>
</tr>
<tr>
<td>1960s</td>
<td>↔</td>
<td>↑</td>
<td>↑</td>
<td>Very High Possibility of Escalation</td>
<td>Escalation</td>
<td>Yes</td>
</tr>
<tr>
<td>1970-1985</td>
<td>↔</td>
<td>↔</td>
<td>↔</td>
<td>Probable Cooperating/Delaying</td>
<td>Delaying</td>
<td>Yes</td>
</tr>
<tr>
<td>1986-1989</td>
<td>↔</td>
<td>↑</td>
<td>↑</td>
<td>Very High Possibility of Escalation</td>
<td>Escalation</td>
<td>Yes</td>
</tr>
<tr>
<td>1990-2004</td>
<td>↔</td>
<td>↔</td>
<td>↑</td>
<td>Probable Escalation</td>
<td>Delaying</td>
<td>No</td>
</tr>
<tr>
<td>2005-2004</td>
<td>↔</td>
<td>↔</td>
<td>↑</td>
<td>Probable Escalation</td>
<td>Compromise, but firm on military and symbolic territory</td>
<td>Partial</td>
</tr>
</tbody>
</table>
Then, I studied the major Chinese offshore island disputes – the several island disputes between China and Vietnam and the Chinese-Japanese Diaoyu Island disputes. Surprisingly, the findings in these cases show that my theory of territorial values and policies has limited power in explaining the evolution of Chinese offshore island disputes. In contrast with my hypothesis that an increase in military territorial value likely leads to policy escalation (and a decrease the opposite), the Paracel and Spratly disputes escalated when the military value (or salience) of the islands actually decreased. It appears that China with respect to its island disputes has systematically adopted an opportunism strategy—escalating when seizure of the territory seems militarily feasible, and delaying on all other occasions notwithstanding the other benefits, such as high economic benefits, available from a richer cooperation. This discrepancy requires explanation. Having now considered all four cases in comparison, I believe the major reason for this difference is (a) China’s relatively weak naval capability, and (b) China’s general vulnerability, in these island regions, to United States influence in a manner that is categorically different on land.

The analysis of Chinese-Vietnamese disputes shows that when there was a “window of opportunity” in the South China Sea, namely a power vacuum in the region, China escalated the disputes and used force to seize the features in the contested area, because China believed that it was very likely that the opponent would not be willing to fight a war at that moment or would quickly back off because they had lost important military support from their allies. My study of Chinese-Japanese disputes over Diaoyu shows the other side of this pattern: There the lack of a similar “window of opportunity”
in the East China Sea has prevented China from adopting an escalation policy despite the ups and downs of the territorial values of Diaoyu, while China has also not seriously pursued cooperative resolution of the Diaoyu issue in a manner that would facilitate a more efficient sharing and discovery of natural resources. This may be because such cooperation, absent other territorial concessions from Japan that include actual property rights, would reinforce Japan’s political dominance of Diaoyu and its control of the space. Given Diaoyu’s great military importance, China is not willing to sacrifice military leverage for economic gain.

Because of its relatively weak naval capability in the region, the Vietnam case suggests that Beijing currently sees waiting for a “window of opportunity” as its best chance to gain strategic advantage over contested island territories where it otherwise is militarily vulnerable—hence its tendency today to delay over Diaoyu versus Japan. But given U.S. interests and entrenchment in the region, these opportunities for effective escalation are not likely to occur. Therefore, it seems more likely that as China’s naval power becomes stronger, and it feels less vulnerable in the region, China will pursue a different strategy with Japan (and other island disputants in the region)—less likely to escalate and more likely to pursue cooperation and even concessions over the disputed islands if such cooperation can draw allies closer to China rather than the United States, and provided that it includes territorial rights that provide strategic military access. In other words, contradicting the “China Threat” argument in the region, I predict that a stronger Chinese navy will increase the likelihood of peaceful resolution of Chinese territorial island disputes within the region, assuming that others are willing to negotiate.
I summarize the findings of these case studies in table 7.3.1, table 7.3.2 and table 7.4 as follows:

**Table 7.3.1 The Chinese-Vietnamese Offshore Island Disputes (White Dragon Tail)**

<table>
<thead>
<tr>
<th>TIME PERIOD</th>
<th>ECONOMIC VALUE</th>
<th>MILITARY VALUE</th>
<th>SYMBOLIC VALUE</th>
<th>PREDICTION BY THE THEORY</th>
<th>CHINESE POLICY</th>
<th>REALITY = THEORY</th>
</tr>
</thead>
<tbody>
<tr>
<td>1950-1957</td>
<td>↔</td>
<td>↑</td>
<td>↔</td>
<td>Probable Escalation</td>
<td>Concession</td>
<td>No</td>
</tr>
</tbody>
</table>

**Table 7.3.2 The Chinese-Vietnamese Offshore Island Disputes (the Paracel Islands and Spratly Islands)**

<table>
<thead>
<tr>
<th>TIME PERIOD</th>
<th>ECONOMIC VALUE</th>
<th>MILITARY VALUE</th>
<th>SYMBOLIC VALUE</th>
<th>PREDICTION BY THE THEORY</th>
<th>CHINESE POLICY</th>
<th>REALITY = THEORY</th>
</tr>
</thead>
<tbody>
<tr>
<td>1950-1967</td>
<td>↔</td>
<td>↔</td>
<td>↔</td>
<td>Probable Escalation</td>
<td>Delaying</td>
<td>Yes</td>
</tr>
<tr>
<td>1968-1971</td>
<td>↑</td>
<td>↑</td>
<td>↔</td>
<td>Probable Escalation</td>
<td>Delaying</td>
<td>No</td>
</tr>
<tr>
<td>1972-1974</td>
<td>↔</td>
<td>↓</td>
<td>↔</td>
<td>Probable Cooperation</td>
<td>Escalation</td>
<td>No</td>
</tr>
<tr>
<td>1975-1984</td>
<td>↑</td>
<td>↑</td>
<td>↔</td>
<td>Probable Escalation</td>
<td>Delaying</td>
<td>No</td>
</tr>
<tr>
<td>1985-1995</td>
<td>↔</td>
<td>↓</td>
<td>↔</td>
<td>Probable Cooperation</td>
<td>Escalation</td>
<td>No</td>
</tr>
<tr>
<td>1996-2008</td>
<td>↔</td>
<td>↔</td>
<td>↑</td>
<td>Probable Cooperation</td>
<td>Delaying</td>
<td>No</td>
</tr>
<tr>
<td>2009-</td>
<td>↔</td>
<td>↑</td>
<td>↑</td>
<td>Probable Cooperation</td>
<td>Delaying</td>
<td>No</td>
</tr>
</tbody>
</table>

**Table 7.4 The Chinese-Japanese Offshore Island Disputes**

<table>
<thead>
<tr>
<th>TIME PERIOD</th>
<th>ECONOMIC VALUE</th>
<th>MILITARY VALUE</th>
<th>SYMBOLIC VALUE</th>
<th>PREDICTION BY THE THEORY</th>
<th>CHINESE POLICY</th>
<th>REALITY = THEORY</th>
</tr>
</thead>
<tbody>
<tr>
<td>1970-1978</td>
<td>↑</td>
<td>↔</td>
<td>↔</td>
<td>Probable Cooperation</td>
<td>Delaying</td>
<td>No</td>
</tr>
<tr>
<td>1978-2008</td>
<td>↑</td>
<td>↓</td>
<td>↑</td>
<td>Probable Escalation</td>
<td>Delaying</td>
<td>No</td>
</tr>
<tr>
<td>2009-</td>
<td>↔</td>
<td>↑</td>
<td>↑</td>
<td>Very High Possibility of Escalation</td>
<td>Delaying</td>
<td>No</td>
</tr>
</tbody>
</table>
These case studies also indicate that the influence of the symbolic value of contested territory on Chinese territorial policy has been limited at best. Consistent with my hypothesis the case studies show that the effect of economic territorial value on policy is significant (at least in frontier disputes), but also contingent on low military value. Yet, the case studies also show that the weight I assigned to symbolic territorial value in territorial policymaking is not nearly as significant as my theory suggests. In fact, the influence of military value consistently trumps that of both economic and symbolic value. In all of our cases—India, Russia, Vietnam, and Japan—the Chinese government has efficiently controlled public media and propaganda, and demonstrated an ability to control active symbolic/nationalist protests when it decides to crack down on them. In none of our cases has a rise in symbolic value been sufficient to prompt escalation.

Ironically, Beijing’s ability to rein in this nationalist dynamic through force may offer some hope for resolving the lingering territorial disputes between China-India and China-Japan, if only because symbolic value—often very salient in these conflicts, and in theory a barrier to real negotiations—may be less determinative of state policy than military and economic value. In any event, in addition to not independently causing escalation, in my four cases symbolic value has neither consistently overridden attempts at compromise or cooperation (e.g, with India in 1960; with Russia 1986-2004) nor has it dissuaded leaders against aggressive and risky escalation. Put simply, the results vary greatly and are not systematic. The most obvious direct effect that symbolic value had on Chinese foreign policy occurred in 2005, when Beijing insisted on attaching Tawang to the China-India “Swap Deal” that had been on-and-off the table from Beijing for decades.
This was in light of a general legitimacy problem in Tibet that had gained increasing worldwide exposure, and eventually exploded into palpable uprising in Tibet in 2008.

Finally, the White Dragon Tail island dispute shows that when an alliance is involved against a powerful third party, escalation of the dispute can be avoided even as the military value of the disputed territory increases, because the military value of the territory can be shared between allies. Allied disputants may be willing to make compromises over a disputed territory especially when they are under security threat from one or multiple common enemies. This reasoning dovetails with my prediction above that as Chinese naval capability grows stronger, China is more likely to cooperate with East Asian countries over their disputed islands, at least when these states are willing to build a strategic friendship with China. Where their security relationship remains strong with the United States, however, compromise of all forms is less likely.

In sum, my theory of different changing territorial values and their effect on China’s territorial policies is largely supported by the policies of Chinese frontier disputes, but not supported by the policies of Chinese offshore island disputes. I suggest that the relatively weak Chinese naval capability accounts for this inconsistency and with the Chinese naval capability getting stronger, China is less likely to escalate and more likely to pursue cooperation with its neighbors over the disputed islands. From this perspective, Chinese policies towards offshore island disputes conform more clearly to state-centered theories, especially those that emphasize changes in relative power. For example, M. Taylor Fravel has studied on how relative capability affects territorial
strategy as the former shifts now and in the future.\textsuperscript{527} According to his theory, if China’s relative power in the island disputes is stable, strong, or steadily strengthening, it is less likely to use force, and more likely to prefer a delaying strategy; but if China’s relative position of strength in the disputes is declining, it is more likely to aggressively change the status quo through force.

Nie Hongyi, a Chinese scholar at Tsinghua University, offers his explanation of the difference in Chinese territorial policy by applying power transition theory to distinguish the factors that have impact upon China’s handling of territorial disputes.\textsuperscript{528} He argues that the policies of neighbor states have direct and fundamental effects on China’s attitude. When a neighbor state begins to rise as regards its comparative position within the regional power structure, should it adopt an expansionary border policy, China inevitably takes a hard-line policy stance to deter the state from enlarging the scope of its expansionary demands, regardless of differences in military capabilities, ideology or the nature of that state’s relationship; when neighbor states have a weak position within the regional power structure and maintain status quo border policies, China generally adopts a concessionary position. Nie’s findings are based on the study of China’s frontier disputes, so it is still unclear if his theory can be applied to the Chinese offshore island disputes.\textsuperscript{529} Nevertheless, his findings offer another a new perspective for understanding

\textsuperscript{527} More detailed discussion on his research is provided in the literature review section of this dissertation.


\textsuperscript{529} In his work, Nie studies the Chinese frontier disputes with its neighbor states, which are Russia, Vietnam, India, Kazakhstan, Kyrgyzstan, Tajikistan, Burma, Lao PDR, Pakistan, Afghanistan, Bhuta, Sikkim Nepal, North Korea and Mongolian. China’s offshore island disputes with Southeastern states and Japan are not examined in his research.
Chinese territorial disputes, that is, “pay careful attention to *changes in the border policies of China’s neighbor states*, and especially neighbor states that, as a function of their military capabilities, have a strong position within the regional power structure.” 530 China’s neighbor states’ territorial strategies may play a significant, if not fundamental role on China’s policy toward the unsettled territorial issues.

The next step of this research is to further test my hypothesis that it is the weak Chinese naval capability that has led to the differences in Chinese policies toward its frontier and offshore island disputes. Because Vietnam is the only state that has both frontier and offshore island disputes with China, the evolution of these two types of territorial disputes between China and Vietnam will be carefully examined and compared. Through this study, I hope I can understand better why China could peacefully resolve the frontier but not the offshore island disputes with Vietnam, especially it had used force over both the contested borderlands and islands. And if or to what extent, the difference in Chinese army and naval capabilities can explain the different outcomes of Chinese-Vietnam frontier and island disputes.

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530 Nie Hongyi, “Explaining Chinese Solutions to Territorial Disputes with Neighbour States,” 522.
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