
ISSN 2615-3718

DOI: 10.31014/aior.1991.01.04.36

The online version of this article can be found at: https://www.asianinstituteofresearch.org/
Natural Resources as the Main Driver of Maritime Territorial Disputes in the Case of South China Sea Dispute - Case Studies on Scarborough Shoal and Spratly Islands

Haydar Maks

Abstract

This paper assesses the extent of natural resources in playing a role in a maritime territorial dispute, employing South China Sea disputes as a case paper. Natural resources are considerably substantial to be a focal point since that this driver deals with national energy and food supply. China currently faces considerable social and economic challenges, which requires an abundant amount of food and energy supply to keep the wheel rolls in perpetuity. One of the means of hunting for additional resources is by soaking a territorial claim termed as Nine Dash Lines bending over the South China Sea and agitates other South Asian states' sovereign territories. This paper questions whether the historical claim issued by China towards Scarborough Shoal as well as huge natural resources resided in the Spratly Islands play a role in driving the storm upon this maritime territorial dispute. It is concluded that natural resources play a pivotal role in this on-going maritime territorial dispute since it is congenitally linked with the living sustainability of a state. The recommendation of resources-sharing is ultimately provided. It is indeed easy in theory, while the practical implementation may be difficult and would require high levels of trust, monitoring, and enforcement. Nevertheless, it is one of the feasible and more peaceful recommendation this paper tries to offer, rather encourage the states to engage in a war.

Keywords: Natural Resources, Sustainability, South China Sea, Territorial Disputes, Maritime

INTRODUCTION

The core theme of this essay is to examine the extent of natural resources are considered the main driver of ongoing maritime territorial disputes. The essay focuses on the maritime territorial dispute in the South China Sea and considers the underlying causes of the dispute and why it is ongoing.

Natural resources are important to ensure the life-sustainability of any living beings in the biosphere. In particular, natural resources play a substantial role in maintaining the cycle of production and consumption, keeping the wheels of the global economy rolling on an effectively perpetual basis. Resources, as defined by the Oxford Dictionary, is a country's collective means of supporting itself or becoming wealthier, as represented by its reserves of minerals, land, and other natural assets ("Resources," 2018). From a global perspective, there is an enormous amount of natural resources undoubtedly allocated to numerous worldwide economic needs on a daily
basis, that being said that there is possibly a huge depletion and consumption of resources being used as well. Globally, there is an increasing pressure towards the available natural resources in various parts of the world, which is caused by the increasing global demand for such resources.

The need to feed its citizens and to sustain the stock is an inherent responsibility of a state. It requires, therefore, the state to go in a search for any possible additional resources. The so-called 'search' here can be divided into two main distinctions, amongst others are legal search and illegal search. The term legal and illegal here are necessarily employed to describe the nature of actions performed in order to fulfill the aforementioned objective: to fulfill the needs in order to survive. Legal search comprises the actions of making a beneficial agreement for the concerned parties, stipulating any essential provisions or regulations with regard to the consolidated utilization of natural resources, engaging in mutual cooperation among parties of interest or in this regard, states. Meanwhile, illegal search embodies any unauthorized activities performed by a party of interest that transgresses the law, rules or regulations in order to earn something to keep the aforementioned economical wheel of a state rolling well, encompassing the act of illegal devastation of natural resources.

The aforementioned categorizations of search could be further divided into two other distinctive groupings, such as land-based quest and sea-based quest, which are based on the medium of a party of interest(s) wander for the aforementioned search. This essay, furthermore, tries to only focus on the sea-based quest, since that there is a huge amount of natural resources favored by the sea; comprising fish, oil, and gas. Apart from that, there is an elephantine percentage of trade that is being transported by sea, which makes the ocean considered important to provide the path of any commercial goods originated from a southern part of the globe being displayed in a shop on the northern part of the world. Those two sentences, along with the aforementioned argument related with the necessity of a state to fulfill the needs over natural resources, bring forth the arguable reasons that somehow evoke the ongoing dispute among states. This essay tries to elucidate the connection of the increasing need of natural resources and a possible reason why it could be considered driving the ongoing maritime territorial disputes, in utilizing the South China Sea maritime territorial disputes as a case study.

The maritime territorial disputes in the South China Sea examined in this essay is being aroused over the years, considerably putting several sovereign states into a circle of polemic, i.e., Brunei, People's Republic of China (PRC), Republic of China (ROC), Malaysia, Indonesia, the Philippines, and Vietnam. The turbulence of polemic, amongst others, revolves around the arguable transgression performed by China towards the Indonesian Exclusive Economic Zone near the Natuna islands as a part of what has been known as Nine-Dash-Lines. With regard to that, this essay would likely boil up the discussion over the aforementioned turbulence of polemic in solely considering the possible link of natural resources that play a role as one of the causes of the dispute. This essay, furthermore, will necessarily provide elucidation of territorial disputes in the South China Sea in general and the geopolitical claim in particular which specifically stress the food security and rising global need of energy as parts of substantial connection of the main concern about natural resources on the subsequent paragraphs.

The theoretical framework employed in this essay ties up a discourse about food security and energy needs as partitions of natural resources, the ongoing territorial disputes in the South China Sea and seeks for any possible connection, influence or interplay among the aforementioned points. This discourse is commenced by means of boiling up an initial argument that there is a precise influence of the natural resources that drive the ongoing serious maritime territorial disputes. Specifically, it would necessarily take the urge of food security and serious thirst of energy into account of how does the necessity over natural resources could lead a party or country of interest to seek for any possible way to fulfill the concerned needs, including the harsh way of casting a storm of dispute by means of projecting the power to another party or country. This essay could also be considered putting forth an argument of suggestion that there should exist a better, tougher and more solutive international discussion, cooperation and regulation that could possibly de-escalate and calm the ongoing storm of disputes.

This essay tries to answer two main questions. First, are natural resources considered the main driver of the maritime territorial dispute in the South China Sea and why does the aforementioned driving matter could
considerably be taken into account as a cause of the dispute. Second, what suggestion this essay could offer in regard to the ongoing dispute. This essay also tries to adopt any possible existing regulation, agreement or cooperation that could be further examined, adjusted and applied to the ongoing maritime territorial dispute, in referring to the South China Sea territorial dispute as a case study, which could considerably be regarded as a possible suggestion provided on the final part of this essay. In seeking elucidating answers of the aforementioned questions, it is arguably true to say that the natural resources play an important role in escalating or in de-escalating the maritime territorial dispute.

THEORETICAL FRAMEWORK

The theoretical framework employed in this essay encompasses the notions of natural resources and maritime territorial disputes, which would be tied up to assert a connection within an intention to answer the main question of to what extent are natural resources the main driver of ongoing maritime territorial disputes. The elucidation of natural resources here comprises the possible type of natural resources, maritime natural resources in particular, which could necessarily be considered playing a role in the ongoing maritime territorial disputes among the concerned states. This essay would also convey an elucidation of maritime territorial disputes, in taking into account several ongoing cases in the South China Sea as a case study. In this chapter, furthermore, the nexus between the two aforementioned theoretical frameworks would be later discovered.

Natural Resources

Natural Resources as what defined by Oxford Dictionary, is the state's national gains to be self-utilized to support its living sustainability as represented by its reserves of minerals, land, and other natural assets ("Resources," 2018). This need is essential in ensuring the development of mankind, energy stock, food security, which potentially lead to living sustainability. The need to have a sustainable stock of food and energy is a primary concern of a human in order to support his good quality of living, which also put the viable circle of production and consumption into account. The need has undoubtedly been considered important to a bigger extent for states' security. It is considered as national necessity because a state has the responsibility to guarantee the security of its people and to ensure the sustainable development with an adequate amount of energy supplies and food stock as well as in order to sustain the economic liveliness of the state, which is supported by Deudney & Flavin (1983) asserting that natural resources played the role of the main driver of the economic development of nations. The sustainable food security and energy supply would be necessarily important to help the state to establish its continuously enhanced development.

There is a categorization of natural resources that will be utilized in order to lead to a more detailed discussion. According to Hao (2013), natural resources could be distinctively categorized within two groupings, and there are territorial resources and maritime resources. He asserted that the territorial resources are the exclusive resources within a country's territory, meanwhile the maritime resources comprise the resources that belong to a state as well as those shared by the international community. Maritime resources here envelopes the oil and gas as well as fisheries resources lying vertically from the surface until the seabed, which either horizontally belongs to the sovereignty of a state or those shared internationally under the law and stipulated regulations. This essay tries to acknowledge the maritime resources resided in the South China Sea and the possible reasons why do they are considered a driving matter of the ongoing territorial dispute as a case study. It would later generally be taken into account how do the natural resources could be considered as one of the main drivers of a maritime territorial dispute among states. This issue could considerably be taken up to the surface because as what asserted by Emmers (2010, p.11), he argues that natural resources, as an economic and strategic issue, have also been a contributing factor in alliance-building, expansionist policies, and the origins of the conflict.
Natural Resources in the South China Sea

The South China Sea geographically lies on the western Pacific Ocean which locks up Taiwan at the northeast, the Philippines at the east, Brunei and Borneo at the southeast, Singapore, Malaysia and the Gulf of Thailand at the southern side and Asia Mainland at the north and west. Among the assigned border, there lies Paracel Islands, Spratly Islands and some other islands separately disseminated near the Philippines, Vietnam, and Brunei.

The maritime natural resources of the South China Sea, according to Vagg (2012), the oil reserves in the South China Sea show a positive elephantine number of estimates, amounted to as high as 213 billion barrels, which would be equivalent of about 80 percent of the oil reserves of Saudi Arabia. He also asserted that in terms of natural gas, there is a possibility that the total gas resources in the South China Sea would be almost 900 trillion cubic feet, which could be reaching the amount Qatar natural gas, the world's third-largest reserves. Valencia (1985, p.159) stated that there are more than 10 known oil and gas basins in the South China Sea, with a total area of 852,400 sq km, accounting for 48.8% of the whole area of continental shelves in the South China Sea. Hao (2013) even believes that the South China Sea is blessed with abundant oil and gas resources, and is commonly known as “the 2nd Persian Gulf”. Furthermore, in terms of fisheries product as food material, a study conducted by the Filipino Department of Environment and Natural Resources found a remarkable fact that the South China Sea holds one-third of the entire world's marine biodiversity and provides about ten percent of the world's catch. Meanwhile, Greer (2016) asserted that although the South China Sea covers only 2.5 percent of the Earth's surface, it's home to some of the world's richest reef systems and over 3,000 indigenous and migratory fish species, comprising some 12 percent of the total global fish catch. Malasig (2016) added that the percentage is worth US$21.8 billion, came only from this region. That means it is an inevitably rich amount of fish that could be found in order to feed enough population of a country as well as to ensure sufficient food security for the living sustainability. Fish is considered important as the source of food for human, providing one of the highest sources of protein besides egg and milk. The Food and Agriculture Organization (FAO) of the United Nations showed an estimate that one billion people on the globe rely on fish as their primary source of animal protein (FAO,2000). That is also why the fish with regard to the food security plays a substantial role for economic importance, as what also asserted by FAO, the number of traded fish in the international community worth for US$51 billion per year (FAO,2000). This number could considerably be rising in the present time due to the enhanced endeavors performed by human in establishing technology with regard to multiply the production and meet the current global needs over this source of protein, despite there is also a rising issue concerning overexploitation and irresponsible over-harvesting of fish stocks in wild nature.

The aforementioned data, after all, show an abundant amount of resources resided in the South China Sea, which makes this region rich in terms of maritime life and natural resources that could be utilized as national development support in the widest extent. This immense amount of natural resources is currently being harvested and managed by some sovereign states in order to fulfill their economic needs. Undoubtedly, this abundant amount of wealth also leads to a potential argument of a ‘competition’ of states to project power in the form of territorial claims over the concerned region in order to secure their food and energy supply.

Territorial Dispute

Territorial Dispute, as what defined by Merriam Webster Dictionary, is a disagreement about who controls a particular territory. It comprises the act of claiming territory to be concerned as belonging to one's sovereignty, which arguably makes a discontent respond from another related party who considerably possess the similar claim over such concerned territory. The claim over a particular territory is necessarily substantial due to several possible factors, amongst others is the presence of an abundant amount of natural resources that could be harvested, enjoyed and managed and is inherently connected to the energy and food security concerns. This goes in line with what is stated by Renner (2006, p.7), that energy and food security are among the concerns in the environment-security-conflict nexus.
The act of harvesting and management of such concerned resources could economically favor a party of interest to secure its energy and food supply, in which, in the bigger extent, could be beneficial in ensuring the national development of a state. In claiming a certain territory which is rich of resources provided by nature, it is positive that it could be economically favorable for a party of interest, that is why it is reasonably true to say that there still exists a numerous number of territorial disputes among states. This essay, furthermore, would employ the ongoing territorial disputes occurred in the maritime domain that circles around the South China Sea as a case study, in relation to what extent do the natural resources play a role within this territorial dispute.

**Maritime Territorial Disputes in the South China Sea: The Ongoing Polemic**

In relation to carrying out an explanation of in what extent do the natural resources drive the ongoing maritime territorial disputes, this section would necessarily put an elucidation of what has been going on in the South China Sea as a case study. The case, in particular, would only encompass the Nine Dash Lines claims over Scarborough Shoal and the Spratly Islands posed by China towards the Philippines, Vietnam in particular and international society in general. Furthermore, this section tries to seek any potential nexus that links with the natural resources as the possible driver of the ongoing maritime territorial disputes.

**China is Growing**

China is considered the most populous country in the world with a total population of around 1.3 billion people. According to the World Bank (2017), China is the second largest economy and is increasingly playing an important and influential role in the development and in the global economy. The previous sentences brew up an argument stating that when a country is considered successful in achieving such accomplishment, it is arguably true to say that there required an abundant amount of food and energy supply to keep the wheel rolls in perpetuity. This is supported by the inherent fact that the number of people is continuously rising as the year shifts due to rapid urbanization and copious demographic growth, which also brew up many social and economic challenges. These challenges, furthermore, require China to formulate effectively commodious strategies and policies in order to fuel such concerned necessity over food and energy. Abbhi (2015) asserted that

> Increasing energy demand and dependence on imports, at least until its shale gas production becomes sustainable, is forcing China to either find an alternative to the trade route or handle the situation diplomatically by cozying up to the countries in the Indian Ocean, four of which have significant Chinese presence – Myanmar, Sri Lanka, Bangladesh and Pakistan.

Therefore, the subsequent sentences elucidating China's diplomatic strategy to secure its national energy supply are necessary to be incorporated within this essay in order to carry out the fact that China really needs to put forth this strategy in a sustainable basis due to its abundant amount of need over secured energy supply. One of this strategy is what has been known as The String of Pearls.

The String of Pearls strategy is a separate issue to the ongoing South China Sea maritime territorial disputes. However, this section attempts to put forth an argument that China needs to ensure the security of food and energy supply, in relation to feed its citizen as well as to fuel and escalate its national economic development. The string of Pearls is one of China's most controversial strategy that has been acknowledged as the Chinese way to secure its national energy needs, in drawing a line over the South China Sea, passes through the Strait of Malacca to the Arabian Gulf. The usage of the term Pearl here stretches the notions of any possible way to develop a diplomatic relationship with its key allies that is economically or militarily potential and precious in putting forth China's global rising power. Pehrson (2006) states that it links China with the vital energy resources in the Middle East and Africa. It is linked with the aforementioned argument stating that China is in an urge of conducting a quest for hunting any potential energy supply resided in the globe to fulfill its needs. This economic strategy, however, could be considered belonging to one of China's primary national strategy. In his
discourse, Pehrson (2006, p.5) also added that to sustain economic growth, China must rely increasingly on external sources of energy and raw materials.

The needs over energy and raw materials here comprise oil and coal. According to the U.S.-China Economic and Security Review Commission (2006), China is the world's largest producer and consumer of coal. In terms of oil, within the Report to Congress in the following year, roughly 40 percent of all new world oil demand is attributable to China's rising energy needs. By means of firing a territorial claim named a strategy called String of Pearls over the South China Sea, in particular, this could be surely beneficial for China to secure its energy supply and raw materials support. This strategy is not only regarded as to secure the activities of mining the potential natural resources within the claimed region, but also to secure its access to move such mined energy supply throughout the nation, with regard to meet its needs over social and economic challenges. By means of incorporating the aforementioned sentences about String of Pearls Strategy, it is arguably true that China puts a serious concern with regard to providing enough energy security to its citizen by means of ensuring the security of its Sea Lines of Communication (SLOCs) from the Middle East through the South China Sea to the coast of mainland China. The building of ports employed for trade, logistics and projecting naval forces are arguably evident with regard to Chinese quest over securing its National Energy Supply.

Chinese Nine Dash Lines Territorial Claim: The Dotted Lines of Evoking Tensions

After acknowledging the fact that China is arguably in the urge to hunt for additional resources in order to meet its national food and energy needs, there is an ongoing issue emerging from the South China Sea, concerning what has been doing by China to its neighborhood related to such concerned food and energy security. China has been firing the Chinese Nine-Dash-Lines maritime territorial claim towards several regions in the South China Sea. The Chinese Nine-Dash-Lines claim bends over the South China Sea, encompassing the islands and waters within this region.

According to Riegl, Landovsky, and Valko (2014), the territorial claim was officially issued for the first time during the Kuomintang period in 1947, which now represents the key document of China's claims to the South China Sea. Zhen (2016) believes that China, it has been considering the claim as historical rights to own the disputed maritime territorial regions as its national belonging. Yet, this maritime territorial claim has not yet been internationally accepted by other sovereign states spread over the borders of the South China Sea. These states include the Philippines, Indonesia, and Malaysia who are filing their challenges to international forums with relation to challenge the legality of this claim according to what has been stipulated within UNCLOS treaty regarding the extent of the states' limit concerning maritime borders and Vietnam, who asserts that it actively governs such disputed territories.

Lague (2012) asserted that particularly China, the Philippines, and several other south-east Asian states have the territorial claims over a maritime territory providing 10 percent of the global fisheries catch and carries $5 trillion in ship-borne trade. The claim also comprises several other territorial sovereignty assertions towards various regions in the South China Sea. These claims evoked challenges posed by the other claimants who also justify their sovereignty towards such concerned maritime territory, such as Vietnam, the Philippines, and Indonesia. The next section will further examine the ongoing disputes over Scarborough Shoal and Spratly Islands in order to carry out an explanation of what factors could possibly drive this ongoing maritime territorial dispute in the South China Sea.

Scarborough Shoal Dispute

The ongoing maritime territorial disputes comprise the Chinese claim over the Scarborough Shoal, a 150 square kilometers triangular-shaped territory located 124 miles off Zambales, the Philippines. China, as what was stated on the previous section, claims that the Shoal has been historically regarded as their belongings for more than 2000 years. Wagner, Tupaz, and Pozon (2017) argue that China said that it first discovered and mapped the
entire South China Sea during the Yuan Dynasty (1271-1368 AD), which was later mapped again by Chinese astronomer Guo Shoujing 1279 AD in a survey of islands surrounding China. However, the concerned party, in this case, the Philippines, stated that it transgresses what has been stipulated within the United Nations Convention of the Laws of the Sea (UNCLOS), in which China is also one of the signatories of the treaty. The former Philippine President Benigno Aquino III stressed the refusal in stating that China's Nine-Dash-Lines territorial claim over the entire South China Sea, in general, is against international laws, particularly the (UNCLOS).

According to UNCLOS, the maximum extent of the limit owned by a state over its extended territorial borders on the sea is 200 nautical miles and taking the Scarborough Shoal case into account, and it is approximately located 120 nautical miles from the Philippines (Vuving, 2017). China, as one of the signatory, should be respecting this treaty in acknowledging the fact that under UNCLOS, the Scarborough Shoal should have been falling to the Philippines sovereignty and jurisdiction. The ‘should have been,’ however, has not been believed by China, in still emphasizing the point that it belongs to its historical right. The territorial dispute, furthermore, had been brought to the International Tribunal for the Law at the Sea (ITLOS), with the result of favouring the Philippines and said that China does not have historic rights to the South China Sea and that their “nine-dash line” claim has no legal basis (Santos, 2016).

The tribunal decision was rejected by China in still emphasizing the argument that the territorial sovereignty over this area would not be affected by the decision. One of the country's official news agency Xinhua within Phillips, Holmes, and Bowcott (2016) stated that “The Chinese government and the Chinese people firmly oppose [the ruling] and will neither acknowledge it nor accept it.” The statement, alongside the aforementioned sentences regarding Chinese historical rights over the region, carries out an element of national pride which lead to the intention to execute the sovereignty projection towards such concerned Shoal. The intention to own the disputed region as its belonging as a part of its national pride, apart from the national food and energy needs, arguably is one of the possible driving matter that circulates the ongoing dispute.

The Spratly Islands and the South China Sea Dispute over Natural Resources

The entire Spratly Island is an archipelago, which “consists of small reefs, shoals, sandbars, cays, and atolls, covers about 180,000 square kilometers with the inclusion of the territorial waters that surround the entire chain”. It is located in the middle of the South China Sea, which has been claimed by several Asian sovereign states, amongst others are Vietnam, China, and the Philippines. Muir (2013) stated that this archipelago had remained prolific marine ecosystems, with many unique reefs, fish, and other marine species. Livingstone (2006) added that the Spratly Islands contain a significant amount of natural gas and oil. According to the International Gas Report (2005, p.23), the estimate of oil potential in the Spratly Islands is around 105 billion barrels and 213 billion barrels in the entire South China Sea, which is a copious amount of oil to drill, in relation to support the national economic development of a state.

As what has been mentioned on the previous sections, South China Sea delivers an astonishing number of resources concerning animal protein in the form of fish that has been becoming one of the primary sources of protein of Chinese population. Greer (2016) notes that China digests the triple amount of fish than the amount consumed by Europe and Central Asia altogether and nearly five times more than North America’s fish diet. Within the Fish 2030: Prospect for Fisheries and Aquaculture Report of 2013, The World Bank estimates the increasing 30 percent number of fish that will be consumed by Chinese people in 2030. Growing demand, however, threatens to outstrip supply, necessitating ongoing expansion of maritime fishing operations occur in Chinese-claimed waters, including the South China Sea (Greer,2016). This promising source of protein, furthermore, makes a reasonable sense in a way or another in terms of why does China claims this region as its belonging.
Conclusion

Although China states that it is due to its historical rights, their claim over the South China Sea, however, is reasonable for various reasons notably from China’s perspective. The intention to develop its maritime power, to project its sovereignty in relation to national pride as well as the reason that has been focused by this study is that to secure its food and energy supply in order to sustain its economic development, as what any other states would do, they are all evident.

Based on the previous sections, it is arguably visible to see that there are several driving matters causing disputes in the South China Sea. National pride plays a role in the Scarborough Shoal, which is evident in taking into account the Chinese opposing perception towards the tribunal decision. Nevertheless, it is evident to conclude that natural resources play a significant role in driving this ongoing dispute. The fact that China is growing and need to secure its national economic development by means of ensuring the promising stock of food and energy is linked to the maritime territorial claim that this country is currently doing. An abundant number of people to feed each day as well as to support its intention to grow on a sustainable basis economically is considerably more compelling than the other mentioned driving matter. China, as well as any other concerned states, needs to secure their food and energy supply, and the South China Sea provides a promising stock of marine protein and oil as well as other marine natural resources that are fundamental to them. That is why there is an opposing force in the form of geopolitical dispute among South China Sea-neighbouring states with regard to the right to project sovereignty and control towards the disputed regions, which would later potentially lead to a deal with national pride issue.

The claimant states, including China, shall considerably engage within joint cooperation in order to carry out a mutual resolution over this maritime territorial dispute. If such a dispute cannot be settled, the sharing of resources in the disputed region may be an option, which is due to another inherent concern that shall also be taken into account. It is that there should be a sustainable management, retainment, and perseverance of the natural resources in the South China Sea so that it would not be overexploited. Amongst others is one of the multilateral options stated under UNCLOS Section 197, which obliges that the regions shall cooperate as required to formulate and establish “international rules, standards, and recommend practices and procedures…for the protection and preservation of the marine environment” (Greer,2016). China and the other concerned states, as the signatories of UNCLOS, shall necessarily conform, respect and implement the signed treaty in order to carry out a peaceful resolution regarding such concerned dispute. The recommendation of resources-sharing is indeed easy in theory, while the practical implementation may be difficult and would require high levels of trust, monitoring, and enforcement. Nevertheless, it is one of the feasible and more peaceful recommendation this paper tries to offer, rather encourage the states to engage in a war over the possession of the disputed regions, while concurrently refuse to take into account that the natural resources in the region are possibly also at stake.

References


Copyrights

Copyright for this article is retained by the author(s), with first publication rights granted to the journal. This is an open-access article distributed under the terms and conditions of the Creative Commons Attribution license (http://creativecommons.org/licenses/by/3.0/).