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ARTICLES

Editor's Introduction

We are pleased to introduce the summer 2013 issue of *Asia Pacific Perspectives*. This issue brings together the voices of scholars from Canada, Australia, Britain, and Japan as it considers the interaction between the international and the local in East Asia today.

The first two articles examine the issue of human rights from different perspectives. **David Webster** looks at the struggle for independence in Timor-Leste in terms of local agency. He argues that a regional actor successfully appealed to the international community for support by using human rights norms as a leverage issue. **Silvia Croydon** analyzes the development of a concerted regional approach to the question of human rights in East and Southeast Asia. She finds that there are many challenges to the creation of a regional approach, but that progress is being made.

Looking at the recent tension surrounding maritime disputes in East Asia, **Mike Chia-Yu Huang** asks what drives China's increasingly "assertive" foreign policy. He argues that the number of actors in decision-making has led to inconsistent policy, and that this causes tension between domestic factions, neighboring states, and global powers. **Felicity Greenland** also addresses the conflict between local experiences and international norms, using research on traditional folk songs. She describes a rich and established cultural history of whaling in Japan, a legacy put under pressure by current global environmental concerns.

Finally, with this issue, *Asia Pacific Perspectives* introduces a new type of article, one we are calling "Think Piece." This new series will allow contributors to respond to current events and big ideas in the Asia-Pacific region in a shorter, more informal style that integrates personal opinion informed by scholarship and the author's expertise. We hope you will find value in our first "Think Piece" by **Pablo Figueroa** on the Fukushima nuclear-reactor situation in Japan.

Dayna Barnes, Managing Editor

John Nelson, Editor

Assertive or Reassuring Chinese Presence in Troubled Waters? The Decision-Making Process of Beijing's South China Sea Policy

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ABSTRACT

China's maritime power has been rapidly ascending in the past three decades alongside its exceptional economic development. Nevertheless, regional countries are suspicious of China's rapid rise because although Beijing pledges to pursue a "peaceful development" its assertiveness in South China Sea has been increasing in recent years. What causes the contrast between China's assertiveness and its reassuring rhetoric? This article argues that due to the fragmented decision-making process, China lacks clear and well-coordinated policies on the South China Sea disputes. In particular, inter-agency competition encourages government agencies to undertake more aggressive actions given the attempt to bargain for more budget funds and bureaucratic power. This phenomenon has mixed implications for regional stability in Asia. The assertiveness of China is not the product of a well-thought out plan, and Beijing's attempt to break the maritime balance of power may not as imminent as the realists warn. On the other hand, without a functional policy coordinating mechanism, more unpredictable Chinese operations at sea may be seen in the future.

KEY WORDS: *South China Sea, Decision-Making Process, Fragmented Authoritarianism, China*

Introduction

Since 2009, China has changed its previous policy of shelving disputes with neighbouring countries and undertaken a more assertive position on its territorial claims in South China Sea (England 2010; Shen 2011; Thayer 2011). Belligerent patrol operations undertaken by People's Liberation Army Navy (PLAN) and other maritime law enforcement forces frequently cause maritime standoffs between China and other South China Sea claimants such as Vietnam, the Philippines and Malaysia. Regional countries and United States have warned about the negative implication of China's assertiveness for regional security in Asia (Tofani 2012). In addition, some argue that the Chinese government is considering the sovereignty issue in South China Sea as one of China's core interests, serving as another example of China's assertive position on the disputes (*Zeen News* 4 July 2010). The unclear intention of the Chinese government makes neighbouring countries more suspicious of China's ascending maritime power.
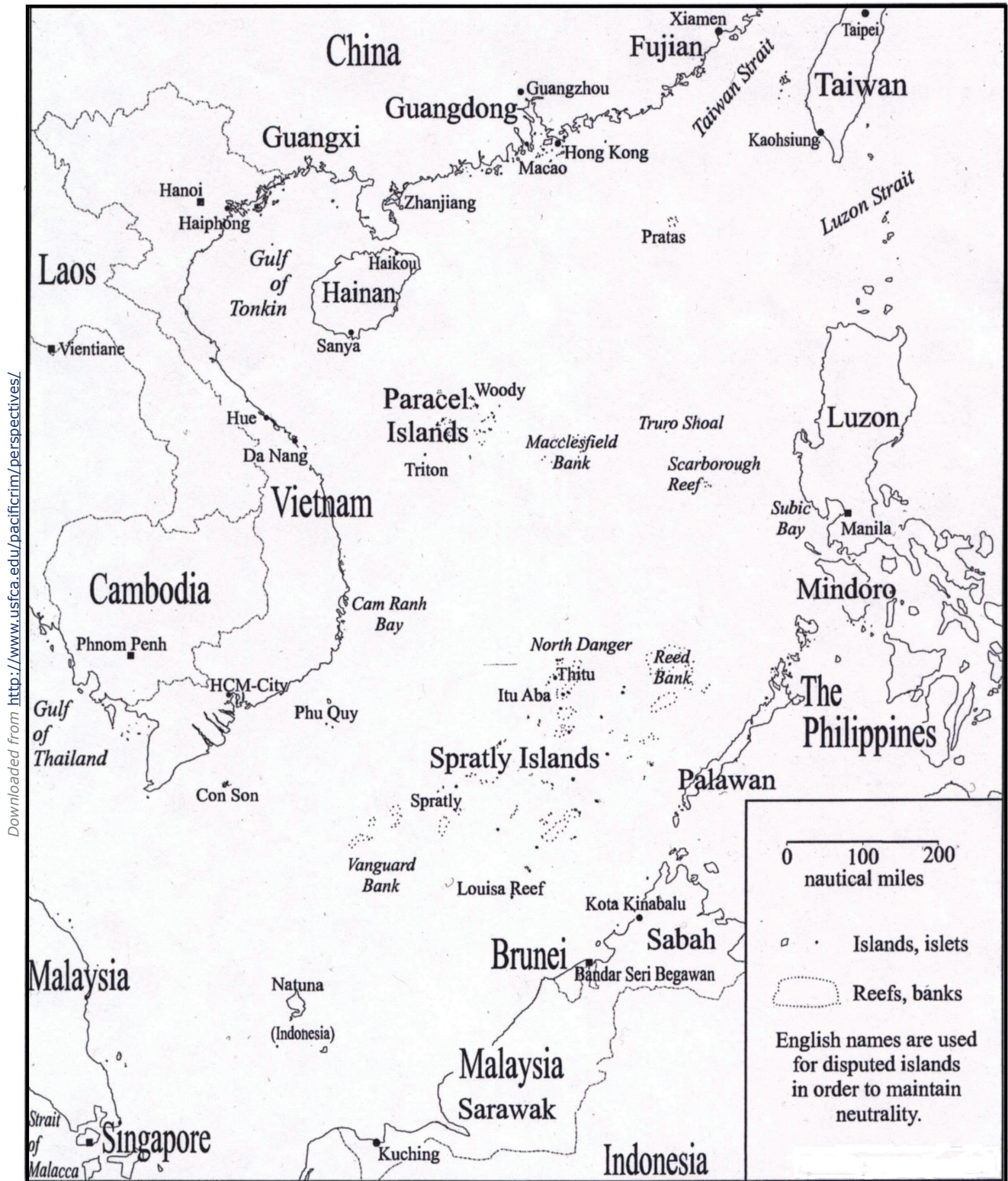
Figure 1. Geographic Scope of South China Sea (Source: Stein Tønnesson, 2000)

China's assertiveness in South China Sea not only leads to a more insecure strategic environment in the region but also undermines Beijing's "peaceful development" rhetoric which argues that China will not seek hegemony or military expansion now or in the future (Information Office of the State Council of PRC 2009). What is causing the contrast between China's "peaceful development" rhetoric and its assertiveness in South China Sea? What is the decision-making process of Beijing's South China Sea policy? Is there a clear driver dominating Beijing's policy on the South China Sea disputes? These are important questions, not only for the understanding of China's decision-making process but also for regional security in Asia. Due to the fragmented decision-making process, Beijing's South China Sea policy is driven by multiple players as the product of bureaucratic bargaining. Not a single player can dominate the decision-making process. In addition, government agencies are inclined to undertake aggressive actions in disputed waters in a bid for more budgetary funds and bureaucratic power. The government's policies are disjointed, causing the contrast between Beijing's assertiveness in South China Sea and its reassuring "peaceful development" rhetoric.

The remainder of this article is divided into three major sections. The first offers a brief summary of the fragmented policy process in China, as well as major players' role in the making of Beijing's South China Sea policy. The second discusses some key features of the policy process: inconsistent policies made by various government agencies, competing bureaucratic interests, blossoming nationalism, and the manipulation of public opinion. The third section concludes major findings of this study and addresses the implication of the fragmented decision-making process for regional stability in Asia.

The Fragmented Policy Process

The "Fragmented Authoritarianism (FA)" model has been selected as the theoretical framework of this study.[1] The FA model was introduced by Kenneth Lieberthal and his colleagues in late 1980s. Since then, it has been a leading theoretical framework for the study of China's economic projects and relevant decision-making process (Mertha 2008). Aiming at the analysis of decision-making process of China's economic projects in the reform era, the FA model devotes itself to the study on the structural allocation of authority and the behaviors of the players relevant to the process of policy deliberation. It argues that lower levels of authority in the political system are fragmented and disjointed, and that reform policies have increased fragmentation (Lieberthal 1992). The policy arena is governed by the interests of government organs, and policy outcomes are made by an incremental process of bureaucratic bargaining (Lieberthal and Oksenbergh 1988; Mertha 2009). Such a fragmented process may cause protracted decision-making, inconsistent policy outcomes, and the distortion of policy implementation.

Beijing's current South China Sea policy is aptly described by the FA model. The phenomenon of "Five Dragons Stirring up the Sea" is a good example (Goldstein 2010). "Five dragons" means that other than PLAN, China's maritime security policy has been complicated by its maritime law enforcement forces China Maritime Surveillance (CMS) under State Oceanic Administration (SOA), Fishery Law Enforcement Command (FLEC) under Ministry of Agriculture, Maritime Safety Administration (MSA) under Ministry of Transportation, The Maritime Police under Ministry of Public Security, and General Administration of Customs (GAC).[2] These law enforcement forces have overlapping duties without a functional mechanism to coordinate policies and operations. Some further

argue that there are actually "nine dragons" stirring up China's maritime policy today. These four extra "dragons" are: the Ministry of Foreign Affairs (MFA), the Chinese Military, the Environment Ministry and large Chinese stated-owned enterprises (SOEs) (International Crisis Group 2012). Put simply, there is a problem facing Beijing today: the lack of a functional policy coordinating mechanism in government.

Multiple Players Influencing South China Sea Policy

To make appropriate analysis of the decision-making process of Beijing's South China Sea policy, it is necessary to identify who the major players in the process are. David Lampton's study on Chinese foreign and security policy-making identifies several major players which can exert their influence upon the deliberation of policies: the top leadership, the government agencies at central level, the People's Liberation Army (PLA), provincial authorities, and public opinion (ed. Lampton 2001). Chinese central government agencies involved in Chinese maritime disputes are the Ministry of Foreign Affairs, Chinese Communist Party (CCP) Propaganda Department and its mouthpiece media, the maritime law enforcement agencies and state-owned enterprises (International Crisis Group 2012; Jakobson and Knox 2010). In addition, some argue that the role of Chinese scholars and think tanks should be considered given their ascending presence in the decision-making apparatus (Bondiguel and Kellner 2010; Cabestan 2009; Liao 2006; Zhao 1992). A fragmented political system endows these players with more room to manoeuvre.

In a political system characterized by the FA framework, the Chinese authority at the top remains strong. The 25-member CCP Politburo and the 7-member Politburo Standing Committee (PSC) are the supreme organs in the bureaucratic hierarchy. Consensus building is an important principle for CCP leaders, and disputes which cannot be resolved at lower level are settled here. However, despite the final control of the PSC members, decisions cannot be made without specialized information and analysis from Chinese bureaucrats. The MFA, with a pool of professional diplomats and experts, provides CCP leaders with policy analysis memos which are based on daily reports from Chinese embassies overseas (Jakobson and Knox 2010; Lu 2001). The MFA is also China's chief executive organ of foreign affairs. In the fragmented decision-making process, major issues reviewed by PSC members are decided in principle or within broad policy guidelines. The MFA's task is to convert these principles into substantial policies or plans. In other words, if the policy guidelines made by PSC is the "bones of the policy," then MFA's mission is to add "flesh and blood" to policy guidelines (Lu 2001).

The PLA and China's maritime law enforcement agencies are the primary constituents of China's maritime power. In general, they are hardliners in the country's foreign policy apparatus. The PLA is an active advocate of a hawkish position on China's maritime disputes with neighbouring countries (Jakobson and Knox 2010; Swaine 2012). CMS and FLEC also play aggressive roles in the South China Sea disputes. (Hoffman 2012; *The Japan Times* 25 June 2012). The PLA can directly pass ideas on to top decision-makers via its seat in CCP's Leading Small Groups. Throughout the consultation and consensus-building process, the

PLA also provides civilian CCP leaders with vital intelligence based on its own expertise (You 2006). In addition, SOA is provided with research capability as well as administrative might. It publishes various reports on China's maritime affairs such as the annual "Report on China's Maritime Development," a specialized publication providing decision-makers detailed analysis of China's maritime affairs (Li 2010).

Other Chinese government agencies also play marginal roles in the decision-making process although they are not directly in charge of China's foreign and security policies. First of all, the CCP Propaganda Department is inclined to use its mouthpiece media to make nationalistic claims about "protecting China's lost territories." "Lost territories" is a phrase Chinese people normally use to describe some disputed islands such as the Spratly Islands and Taiwan. Second, China's state-owned oil companies have a role because of their drilling projects in disputed waters. China National Offshore Oil Corporation (CNOOC) plays the most significant role in China's maritime disputes due to the company's capacity of both research and deep-water exploitation (*Xinhua News* 9 May 2012).[3] Third, some coastal provincial governments are involved in South China Sea disputes. The economic reform has reshaped the central-local relationship domestically and made local governments, especially those of coastal provinces, more interested in economic liberalization (Yang 2007). Coastal governments such as Guangdong and Hainan now have their own economic development agenda and local maritime law enforcement departments. They are eager to expand their economic activities, including tourism and fishery, and some of these economic activities are made in disputed waters. For example, since 2010, the Hainan Province has encouraged local fishermen to "build big boats and explore the deep sea" (*Xinhua News* 1 August 2012; International Crisis Group 2012). Supported by the provincial government, Chinese fishing boats are often involved in maritime disputes between China and other regional countries (Auslin 2012).

Finally, the more diversified foreign relations in the past three decades have provided Chinese scholars and think tanks with leverage to influence the policy outcomes. China's primary foreign and security policy organs, MFA and Ministry of State Security, have their own think tanks, and Chinese scholars submit policy research reports to decision-makers (Liao 2006).[4] With professionalized experiences and knowledge, academics can negotiate with other government officials or persuade the decision-makers to undertake policies they favor in the consensus building process. Another pathway for scholars to convey their ideas to the decision-makers is through public debate (Zhao 2005). For example, popular TV talk shows like "Focus Today (*jinri guanzhu*)" and "Global Watch (*huanqiu shixian*)" regularly invite Chinese scholars to comment on foreign issues. In addition, these programs are converted into online video and posted on Chinese internet forums, sparking discussion among Chinese netizens.[5] Online public opinion has been imposing more pressure on the decision-makers, the Foreign Ministry in particular, as the number of Chinese netizens increased rapidly in recent years (Hong 2005; Qi 2010; J. Wang 2011). Therefore, Chinese can use public debate as a platform to exert indirect influence on decision-making.

Inconsistent Policies Made by Various Government Agencies

Even though Chinese leaders pledge to pursue "peaceful development" and create a "harmonious ocean," there are not clear or consistent policies undertaken by Chinese government organs regarding the South China Sea disputes.[6] A series of maritime clashes caused by Chinese patrol vessels' belligerent operations since 2009 significantly undermined MFA's efforts to enhance ties with regional countries (*Asia Times* 10 May 2013). A good example is the 2011 maritime clash in the Reed Bank, a part of the Spratly Islands located in the west of Palawan Island. Four months before the incident, in November 2010, MFA declared that China would make its effort to establish a new security concept which highlights mutual trust, mutual benefit, equality and cooperation. (*Xinhua News* 4 November 2010). MFA's declaration was believed to respond to neighbouring countries' discomfort with Chinese efforts to rank South China Sea as one of its core interests (Tran 2011). Nevertheless, MFA's moderate tone did not last long and the goodwill was immediately damaged by a Sino-Philippine maritime clash on March 2, 2011, when a Philippine oil-exploration ship was confronted by two PLAN patrol vessels in the waters near the Reed Bank (Hookway 2011). PLAN's aggressiveness led to a strong reaction from the Philippine government, which vowed to strengthen the Philippine military's preparation for defending the Spratly Islands (Storey 2011). Clearly, this incident weakened MFA's efforts to develop goodwill in the South China Sea region.

Additionally, from MFA's point of view, the South China Sea disputes should best be solved through bilateral negotiations (*Xinhua News* 28 June 2011). In particular, US involvement in the South China Sea disputes should the last thing that MFA wishes to see (Raine 2011; *The China Post* 26 July 2010). The Chinese Ambassador to the Philippines argues that the Sino-Philippine disputes over the Spratly Islands should be regarded as a bilateral issue, and any attempts to involve a third party such as the United States should be discouraged (Mabasa 2011). Nevertheless, some Chinese maritime law enforcement agencies' assertive patrol operations in South China Sea contributed to the revision of U.S. strategic plans in Asia. The 2009 Impeccable Incident and the 2012 Scarborough standoff are good examples.

The *Impeccable* Incident, a maritime stand-off between FLEC patrol boats and U.S. ocean surveillance vessel *USNS Impeccable* 120 kilometres off the Hainan Island on March 8, 2009, caused a diplomatic row between Washington and Beijing (Shanker 2009). The incident intensified the mutual distrust concerning China's rapid naval build-up as well as a new U.S. campaign to balance China's increasing military presence in South China Sea (Valencia 2009). In addition to the *Impeccable* Incident, the prolonged 2012 Scarborough standoff between Chinese FLEC and CMS vessels and Philippine Coast Guard boats made the U.S. more suspicious of China's rapid rise. In April 2012, the United States and the Philippines held a joint military exercise off the Palawan coast near the Spratly Islands, a clear signal showing America's effort to offset China (Orendain 2012). The Pentagon's plan to base 60 percent of its naval capacity, including six aircraft carrier battle groups, in the Asia-Pacific theatre before 2020 is also believed to be a countermeasure against China's assertiveness (*BBC News* 2 June 2012; Lam 2012).

The MFA undertakes inconsistent positions on South China Sea disputes as well. This was revealed by the 2010 controversy over labelling South China Sea as China's core interest. This controversy emerged in March when Chinese diplomats told U.S. delegates at a closed-door meeting in Beijing that the Chinese government would not tolerate any interference in the South China Sea, which was part of China's core interest of sovereignty. This is believed to be the first time that the Chinese government labelled South China See as one of its national core interests (Lee 2010; Wong 2010). The story was interpreted in Washington as a Chinese effort to elevate the issue on par with the Taiwan issue which Beijing would seek any possible means to resolve, including war (Storey 2010). Nevertheless, MFA spokesmen later denied that the body had ever made such kind of announcement and claimed that U.S. delegates misinterpreted Chinese officials' comments at the meeting (Swaine 2011). The conflicting positions on the issue of core interest are largely due to some Chinese diplomats' personal efforts to appease those who blame the MFA for acting too softly, not a deliberate plan to disorient Washington.[7] The internal divide in the MFA is clear.

Provincial governments also undertake polices inconsistent with those made by the central government. For example, the Hainan Province government has long been planning to encourage tourism in the disputed Paracel islands so as to boost local economy. The Vietnamese government, another adamant claimant of the Paracel Islands, condemned the Hainan government's plan, which would further complicate the South China Sea situation (*Agence France-Presse* 8 January 2010). Regardless of Hanoi's discontent, Hainan initiated the tourism plan in 2011 and announced in April, 2012 that the islands would soon be open to tourism (*China Review News* 4 April 2012). Nevertheless, Hainan's proposal was immediately denied by the National Tourism Administration which stated that it had not obtained any information regarding the project (*China Review News* 4 April 2012). The Chinese government's inconsistent stances on developing tourism industry in the disputed islands further deepened public distrust of Beijing in Vietnam.

Competing for Bureaucratic Interests

The FA model considers the resources and strategies that provide government organs with leverage in the bargaining process, especially at the ministerial level. As some argue, "to earn more budgetary funds or a higher bureaucratic prestige, Chinese officials like to emphasize the significance of a certain issue which is related to their jobs…….Each government agency can use its own reasons or evidence to support the proposals which can maximize its bureaucratic interests" (Y. Wang 2011, 132-133). In the case of Beijing's South China Sea policy, inter-agency competition is evident at the ministerial level as well. Several examples can be illustrated: the competing maritime law enforcement agencies, the contest between the MFA and CCP Propaganda Department, and the diverse analyses made by Chinese think tanks.

In terms of the competing maritime law enforcement agencies, the primary "competitors" are the CMS and FLEC. The increasing presence of these two maritime law enforcement agencies in disputed waters is motivated by the possibility of gaining budgetary funds and more administrative power. In addition, CMS and FLEC officials have been following a tradition a regarding how to finish their

jobs: "grab what you can on the sea, and then divide the responsibilities between agencies afterwards" (International Crisis Group 2012, 19). Following this logic, they are inclined to more high-profile patrol operations to justify their requests for more budget and power.

One other issue concerning the inter-agency competition between the CMS and FLEC is the proposal of reorganizing China's disjointed maritime law enforcement agencies under one governing body, a solution to the problem of "Five Dragons Stirring up the Sea." Neither the CMS nor FLEC wishes to lose its administrative power should the proposal be put into practice. They both try to take the lead in an enduring bureaucratic competition.[8] To this end, CMS and its superior agency SOA call for the establishment of "Ministry of Oceanic Affairs (MOA)" (*Xinhua News* 5 March 2012). SOA frequently highlights the unstable security environment in the South China Sea region and urges the government to put more resources into its South China Sea campaign through special reports it publishes (State Oceanic Administration 2011; State Oceanic Administration 2010). Meanwhile, senior SOA officials also outspokenly argue for a stronger CMS fleet so as to safeguard China's maritime interests (He 2011). SOA's aims are twofold: justifying CMS operations in disputed waters and supporting MOA advocates.

Although the FLEC and the Ministry of Agriculture do not publish special reports as the SOA does, they do invite journalists to join FLEC's patrol missions in order to earn more support domestically. For instance, the captain of the "FLEC No. 311" patrol vessel welcomed Chinese journalists on board to interview the crew members during the ship's regular patrol mission in South China Sea in October, 2011 (Feng 2011). Another example is the interview with the crew members of the "FLEC No. 46012" patrol vessel (*Xinhua News* 10 July 2011). Stories about how FLEC crew members devoted themselves to safeguard China's interests in South China Sea became excellent materials for advertising the FLEC's image domestically.

On March 10, 2013, the Chinese government launched an institutional reform involving the restructure of the SOA. Under this plan, the SOA will take the overall control of China's maritime law enforcement operations. The FLEC, Maritime Police and GAC will be under SOA's supervision. Additionally, a new government organ, the Maritime Police Bureau (MPB), will be created under the SOA to carry out all the maritime law enforcement operations (*Xinhua News* 10 March 2013). SOA seems to be the primary beneficiary of this institutional reform, which involves not only the restructure of SOA but also the establishment of a new State Oceanic Commission (SOC). According to a government statement, the new established SOC is a high-level consultation and coordination body. It is responsible for formulating oceanic development strategies and coordinating important oceanic affairs (*Xinhua News* 12 March 2013). However, no more detailed information has been provided.

The Chinese government's effort to reorganize its disjointed maritime law enforcement agencies is still far from accomplished. First of all, even though the administrative power of the SOA is enhanced, it is still a sub-ministry agency. Second, no mention is made of whether the MSA, another primary maritime law enforcement agency force with large patrol vessels, will be placed under the

SOA's control. Third, even though the institutional reform was announced, no substantial progress has been made so far. The FLEC and MSA are still individually sending patrol vessels in South China Sea (*Manila Standard Today* 23 March 2013). The exact administrative level of the proposed SOC is still unclear and who should be included in the commission remains unknown. As some note, the plan to establish SOC may be of some help to consolidate the poorly-organized maritime law enforcement mechanism. "Questions remain, however, over the precise authority of the revamped SOA versus the SOC in coordinating Chinese maritime policy and strategy" (Morris 2013, 10).

Another example of the inter-agency competition is an MFA spokesman's comments on American military deployment in Australia. MFA spokesperson Liu Weimin, when commenting on U.S. military deployment in Australia at MFA's daily press conference on November 16, 2011, claimed that "it is worth debating whether strengthening and expanding military alliance is appropriate and consistent with the common aspiration of regional countries and the whole international community" (Ministry of Foreign Affairs of PRC 2011a, n.p.). Mr. Liu's remarks signalled the Chinese government's discontent and mistrust of America's military plans. Nevertheless, on the second day Mr. Liu quickly softened the government's position by stating that "China does not object to the development of normal bilateral relations between countries. We also hope that…… countries will take into consideration the interests of others as well as regional peace and stability" (Ministry of Foreign Affairs of PRC 2011b, n.p.). It is believed that the sudden turn within 24 hours was due to the tense inter-agency competition between the CCP Propaganda Department and too MFA. This is because the MFA felt that taking a hardline position would lead to a domestic perception that the MFA followed the prompts of the media, controlled by the CCP Propaganda Department which urges MFA to have a tougher stance on America's military presence in Asia (Jiang 2011; Qiu 2011). Such a perception may lead to the weakening of the MFA's bureaucratic prestige and administrative power, a consequence Chinese diplomats were unwilling to accept.

Finally, similar to the government organs which compete for bureaucratic interests, Chinese think tanks provide diverse analysis and policy recommendations to the decision-makers based on their institutional preference. For instance, the MFA prefers a more moderate stance in resolving disputes with foreign countries, its subordinate think tanks follow the same baseline. A famous MFA-funded academic institute which brings together senior Chinese diplomats and leading scholars is the Foreign Policy Advisory Group (FPAG).[9] FPAG deals primarily with China's long term foreign and security policy and is believed to have direct access to top leaders (Jakobson and Knox 2010). Concerning the South China Sea disputes, Xu Dunxin, counsellor of FPAG and former Chinese ambassador to Japan, advocates a more moderate solution to shelve the disputes and pursue a win-win situation (*Xinhua News* 23 September 2009). In contrast, scholars in the Institute of Contemporary International Relations (CICIR) and other military-related institutes are inclined to have a tougher stance. For instance, Wei Da, research professor at the Institute of American Studies of CICIR, argues that labelling South China Sea as a core interest is not an arrogant or assertive policy, and it is unwise for regional countries to obstruct China's rise (Wei 2010).

Institutional preferences complicate China's management of the South China Sea disputes. More importantly, the ambiguous policies of the Chinese government regarding South China Sea as China's core interest and whether Beijing will choose only peaceful means to solve the disputes clearly show that these influential think tanks ruffle the decision-making process.

Blossoming Nationalism and the Manipulation of Public Opinion

Whenever there is a maritime clash in South China Sea, nationalist sentiment in China encourages the government to make immediate hardline responses. The 2001 EP-3 incident is an example of the influence of public opinion upon China's South China Sea policy-making. A U.S. Navy EP-3 intelligence aircraft and a PLAN J-8 fighter jet met in a mid-air collision about 110 kilometres away from the Hainan Island on April 1, 2001. After the incident there was a powerful anti-American online nationalist campaign (J. Wang 2011). One of China's leading online forums, the "Forum on a Stronger China (*Qiangguo Luntan*)," had more than 800 postings on this issue in the first two days (Lu 2005). A few days later, President Jiang Zemin replaced his previous low-key stance with a tougher tone. President Jiang's change was largely due to growing pressure from Chinese online public opinion, even though he wished to solve this dispute quietly in the beginning (*Epoch Times* 17 May 2001). This incident clearly revealed the predicament which the Chinese leaders faced: on the one hand, they had to pacify the angry Chinese citizens, but on the other hand, they must avoid a full-scale Sino-American confrontation.

Not only have the CCP leaders realized the need to "listen to the Chinese people," Chinese government officials also have learned how to manipulate public opinion to solicit more domestic support. The CCP Propaganda Department and its mouthpiece news agencies are experts in the manipulation of Chinese public opinion. They endeavor to create a more nationalistic domestic atmosphere which can consolidate the legitimacy of the CCP government. Following the 2012 Sino-Philippine Scarborough Standoff, the government mouthpiece newspaper *Global Times* published a series of hardline commentaries on the disputes, arguing that China should not hesitate to take a stronger position against the Philippines.[10] Such a hard-line position has led to a new nationalist campaign urging the Chinese government to adopt more assertive policies to safeguard China's national pride and maritime interest in South China Sea.

The PLA promotes its bureaucratic image domestically as well. For example, in July 2010, three PLAN fleets conducted a joint live-fire exercise in South China Sea. This military exercise, reported as the largest military drill in PLAN's history, included PLAN's most advanced surface warships and submarines, including 051C *Luzhou* destroyers, 052B and 052C *Luyang* destroyers, 054A *Jiangkai* frigates, *Sovremenny* destroyers and *Kilo*-class attack submarines (The International Institute for Strategic Studies 2010). The exercise was intensively reported by the *PLA Daily*, a good way for PLAN to solicit more support from the Chinese people. Even though this exercise was commended by the Chinese people and helped the PLA uphold its domestic image as the guardian of China's interest and pride, it did raise concerns in the region. As Ian Storey argues, this large-scale military exercise was viewed negatively by neighboring countries given that it is an ex-

ample of China's increasingly assertive operations in the South China Sea (Storey, cited in Schearf 2010).

Conclusion

The Fragmented Authoritarianism model examines the disjointed policy process via bureaucratic bargaining and was derived from economic projects in China (Lieberthal 1992; Mertha 2008). It provides an approach to explore the causes of fragmentation in authority between Chinese bureaucratic organs, the incentives of key players in the decision-making process, and the types of resources and strategies that these organs use to bargain with one another. Critics argue that the FA model is applicable only to the decision-making process of economic projects in which national security and ideology issues are not involved. If national security or ideology is involved in a certain policy, the decision-making process should be dominated by the centre with no bargaining power devolved on the subordinate organs (Chao and Tsai 2010).

Nevertheless, this paper finds that the FA model is applicable to key features of the decision-making process of South China Sea policy, a matter of national security and ideology. Although the Chinese government has been concerned with the security significance of the South China Sea region since 2003, China fails to make clear and well-coordinated policies which can properly protect the its maritime interests in this region while accommodating the "peaceful development" rhetoric.[11] China's failure is due to its fragmented decision-making process and intense bureaucratic bargaining. Put simply, the Chinese leaders know that it is a primary task for them to protect the country's maritime interests in South China Sea as well as create a harmonious external environment. However, the fragmented nature of the Chinese political system makes policy outcomes inconsistent.

There are two implications of a fragmented Chinese policy process for regional stability in Asia. First, due to intense bureaucratic bargaining, decisions are usually made at the expense of a comprehensive deliberation. Chinese agencies' assertive operations in South China Sea are not the product of a well-thought out plan. A clear and deliberated policy to expand China's maritime power is unlikely in the near future. Therefore, Beijing's ambitious attempt to break the maritime balance of power in Asia is not as imminent as the realists warn. On the other hand, the lack of functional policy coordinating mechanism also means that in the foreseeable future China will be unable to make consistent policies to manage the South China Sea disputes. More unpredictable maritime clashes might break out in the future. This is a serious issue that regional countries should pay more attention to, especially as China's maritime power is increasing day by day.

Endnotes

[1] The term "Fragmented Authoritarianism" was first used in a conference on China's bureaucratic practice in Tucson, Arizona, on June 19-23, 1988. For more on this topic, see Lampton 1987; Oksenberg 1982.

[2] SOA is a sub-ministry agency under the Ministry of Land and Resources.

[3] CNOOC initiated the research of deep-water drilling in 2006. Five years later, CNOOC launched China's maiden deep-water drilling platform "CNOOC 981" in a sea area 320 km southeast of Hong Kong at a water depth of 1,500 metres. The maximum operating depth is 3,000 metres.

[4] For instance, The Chinese Institute for International Studies (CIIS) is subordinate to MFA and the Chinese Institute of Contemporary International Relations (CICIR) is associated with Ministry of State Security. CICIR is also believed to keep close relations with the Chinese military.

[5] Based on author's survey of Chinese online forums.

[6] The concept of "harmonious ocean" was firstly proposed by Chinese President Hu Jintao in 2009 when he attended PLAN's naval parade celebrating the 60 anniversary of the Chinese Navy.

[7] Author's interview in Qingdao, November 21, 2011.

[8] The first proposal of establishing a centralize government organ to coordinate China's maritime law enforcement operations can be traced back to mid-1990s.

[9] According to the charter of the institute, the conveners of the institute are the Party Secretary-general of MFA and Deputy Foreign Minister.

[10] For example, see *Global Times* editorials on April 13, April 24 and May 9.

[11] In November 2003, Chinese President Hu Jintao firstly expressed his considerable attention to the country's deteriorating maritime security environment in South China Sea and introduced his concern for the so-called "Malacca Dilemma."

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