

CENTRE FOR SECURITY STUDIES | ISSUE BRIEF

MAY 2023

VIETNAM'S PRESENCE IN SPRATLY ISLANDS

The South China Sea Dispute

Vanisha Krishnani

Edited by: Harini Vallal J

About the Author

Vanisha Krishnani is an undergraduate student at the Jindal School of International Affairs and is a Research Intern at the Centre for Security Studies, JSIA.

About the Centre for Security Studies

The Centre for Security Studies (CSS) was established in 2020 as the Jindal School of International Affairs' first student-run research centre under the aegis of Prof Dr Pankaj K Jha. Researchers at CSS – through in-depth analysis briefs and events, reports, policy briefs and print publications – explore both regional and thematic topics in the broader field of international security studies. The concept of international security has been expanded to reflect not merely the study of state security, but also include topics like ethnic, sectarian, and religious conflict; civil wars and state failure; cyber and space warfare; resource-related security issues; the proliferation of weapons of mass destruction; defence economics and the role of ethics or morality in the formulation of security policies. The complexity of these matters is what the Centre for Security Studies attempts to unfold. Please refer to www.cssjsia.com for further details, and follow the Centre's social media platforms for critical news and research updates:

- www.linkedin.com/company/jindal-centre-for-security-studies/
- www.instagram.com/css_jsia/
 - https://twitter.com/Css_Jsia

Get in touch with us through email: css@jgu.edu.in

Important disclaimer

All views expressed in this publication belong to the author and do not reflect the opinions or positions of the Centre for Security Studies. While researchers and editors at CSS strive towards innovation, CSS as an organisation does not take any responsibility for any instance of plagiarism committed by the authors. The onus to ensure plagiarism-free work lies with the authors themselves.

IB2305009

The Spratly Islands' Significance

The Economic Incentives of the Spratly Islands

The Spratly Islands happen to be one of the most disputed territories on the planet. They are located in the South China Sea, to the north of <u>insular Malaysia</u>, and are fairly equidistant between <u>Vietnam</u> and the <u>Philippines</u>. These islands are spread out over an expansive region of the ocean that measures approximately 158,000 square miles, which is 409,000 square kilometres. The South China Sea, which it lies in, stretches from the Strait of Malacca and Singapore in the southwest to the Strait of Taiwan in the northeast. They happen to have no established human habitation, yet they happen to be tremendously sparred over. There are six countries that assert their claim of ownership over these islands, the countries being - Vietnam, China, Brunei, the Philippines, Taiwan, and Malaysia. The Spratly Islands are referred to as **Nansha Qundao** or **Nansha Ch'un-tao by China, Kepulauan Spratly by Malaysia, Pangkat Islang Kalayaan by the Philippines, and Quan Dao Truong Sa by Vietnam.** It is a matter of sheer curiosity what features the Spratly Islands possess that have made them such an inordinately sought-after region.

These islands are significant for economic and strategic reasons. They can have substantial economic benefits since they are endowed with largely unexplored reserves of oil and natural gas. The United States (U.S.) Energy Information Administration (EIA) has assessed that there are roughly 11 billion barrels of oil reserves and 190 trillion cubic feet of natural gas reserves in the South China Sea. ¹While some of these reserves have been proven to be found, some are simply an estimated figure of unexplored territories. The Spratly Islands and the South China Sea are underexplored regions; however, they offer immense potential in terms of hydrocarbons. Some

¹ US EIA (2013, February 7), South China Sea Analysis Report- Intl.

sources report that when it comes to natural gas reserves, these islands contain less than 100 billion cubic feet. This information is solely based on research done on the discovered natural gas reserves and neighbouring fields. However, it offers tremendous potential in terms of hydrocarbons. The U.S. Geological Survey (USGS) assessed that it consists of approximately "0.8 and 5.4 billion barrels of oil and between 7.6 and 55.1 trillion cubic feet of natural gas in undiscovered resources"². In accordance with the available evidence, the Reed Bank, located at the northeast end of the Spratly Islands, contains the barrels of oil and natural gas. However, Reed Bank happens to be a location that is claimed by China, Taiwan, and Vietnam. In the 1970s, the Philippines began exploration in the region, and in 1976, they unearthed natural gas. Southeast Asia is not known for being in possession of oil or natural gas reserves, which means that these nations spend heavily on importing oil. However, the occurrence of natural gas in these regions could help them employ an alternative source of energy and meet the domestic demand of their nation. Hydrocarbons could be utilised for fuel, lubricants, and as raw materials for solvents, rubbers, plastics, fibres, and industrial chemicals, whilst natural gas would be of immense assistance in refrigeration and cooling equipment, heating equipment, lighting purposes, transportation, electricity, heat, and power systems for industrial usage. The welfare that occurs from these energy resources is abundant, which is why multiple countries attempt to assert their claim over the Spratly Islands.

Another noteworthy component that makes the Spratly Islands economically alluring is that their disputed waters make a great domain for commercial fishing. Since the coastal waters of China are overfished, the Spratly Islands are attractive to Chinese fishers as their chance at a profit is higher. The areas in these islands that are preferable for fishing are the waters adjacent to Spratly rocks and reefs, deep water areas in the north and west, and the shallow waters of the Sundra Shelf, which happens to be the most advantageous region to fishers¹ The Spratly Islands are located in

² Martinson R (2021 March) Science Direct, Volume 125, March 2021

the South China Sea, which provides them with vital trade routes to "the main arteries of trade in Southeast Asia, it links waterways from Singapore and Malaysia to Indonesia, the Philippines and Taiwan"³. It also provides major maritime trade routes to Northeast Asia. There is approximately \$3.37 trillion worth of trade transiting through the South China Sea, which accounts for 21% of global trade. Spratly Island's location in the South China Sea is incredibly desirable in economic terms, as it could boost commercial shipping and assist nations with major trade routes. Any nation that would gain an acceptable claim on the Spratly Islands would, thus, possess an efficacious economic impetus.

Military Benefits

The Spratly Islands' geographical proximity to multiple Southeast Asian nations makes them a prime setting for military fortifications. It would aid any nation that has a claim over the islands in strengthening its defence system as well as military offences. Multiple nations have already fortified parts of the Spratly Islands and set up naval bases, helipads, as well as aircraft hangars to strengthen their military garrisons. Vietnam, especially, has made multiple efforts to affiliate itself with the Spratly Islands through the means of military. The principle that these islands must propound. This topic will be covered further in the paper.

Vietnamese Claim over the Spratly Islands

Historical Basis of Vietnam's Claim over the Spratly Islands

The Vietnamese believe that they have asserted asseveration over the Spratly Islands since the seventeenth century, up until which the islands were terra nullius, which is Latin for 'no man's

³ CNBC (November 17, 2022) Five countries, other than China, most dependent on the South China Sea

land.' The Vietnamese international ancient books and maps clearly portray the Spratly Islands to be a part of their territory. These books and maps can be traced back as far as 400 years to the present era. The earliest of these maps is the "Route Maps from the Capital to the Four Directions (Toan tap Thien Nam tu chi lo do thu)"⁴ which dates to 1638. Other such tangible representative cases would be "A Map of Southern Vietnam" (Giap Ngo Binh Nam Do) from 1774, Map of the Empire of the Annam (An Nam Dai Quoc Hoa Do), Map of United Dai Nam (Dai Nam Thong Nhat Toan Do), and the Route Map from the Capital to the Four Directions (Toan Tap Thien Nam Tu Chi Lo Do Thu)⁵. A Vietnamese atlas that was compiled and illustrated by Do Ba portrays Paracel and Spratly Islands as parts of Quang Ngai district, Quang Nam province of Vietnam⁶. The Paracels are located northward of the Spratlys and happen to be yet another disputed region in the South China Sea by Southeast Asian nations.

Along with the maps, there are also geographical books that authenticate Vietnam's presence and ascendancy over the two archipelagos. The books, Miscellany on the Government of the Marches (Phu Bien Tap Luc), 1776; Regulations of Successive Dynasties by Subject-Matter (Lich Trieu Hien Chuong Loai Chi), 1821; Geographical Treatise of Imperial Vietnam (Hoang Viet Dia Du Chi), 1833; Geography of the Unified Dai Nam (Dai Nam Nhat Thong Chi), 1882; and Miscellany on the Government of the Marches (Phu Bien Tap Luc), a book of geography and history of the Vietnamese sovereign by scholar Le Quy Don, are and were a clear demonstration that Dai Truong

⁴ National Bureau of Asian Research, Vietnam, Maritime Awareness Project

⁵ Vietnamese Ministry of National Defense (2014, October 2022), Spratly and Paracel Islands in Vietnamese and international books and maps, National Defense Journal

⁶ Spratly and Paracel Islands in Vietnamese and international books and maps, National Defense Journal

Sa (including the Paracels and the Spratly Islands) belong to the Quang Ngai Prefecture.⁷ Vietnamese books and maps are not their sole source of credibility for their claims over these islands. There are also documents written by Western navigators and clergymen in the past centuries that indicate that the Paracel and Spratly Islands belong to Vietnam. A Western clergyman wrote in a letter during his trip on the Amphitrite Ship from France to China in 1701 that "Paracels is an archipelago of the Kingdom of Annam". French Bishop J.T. Taberd wrote in his note "Geography of Cochinchina" published in 1837, that "Pracel or Paracels is part of Cochin China's territory" and that Cochin Chinese people called Pracel or Paracels "Golden Sand". The book "Geography of Cochin-Chinese Empire", published in 1849 by Gutzlaff, clearly stated that Paracels belonged to Vietnam and noted Paracels in Vietnamese as "Cát Vàng" (Golden Sand)⁸. Under French dominion, the Spratlys had been merged with the Ba Ria Province of the Cochinchine Authority in December 1933. In 1949, the French authority handed over the Cochinchina administration as well as the Spratlys to Bao Dai's regime. Bao Dai was the last emperor of the new state of Vietnam. In the September 1951 San Francisco Conference, Vietnam stated that its claim over the Spratlys and Paracels had been witnessed by 50 states without any objection. The sovereignty of the islands had been transferred to the South Vietnamese government at first, and then, after 1975, it had been transferred and entrusted to the unified Vietnamese government⁹. These historical evidence fairly legitimise Vietnam's claim to exercise sovereignty over the Spratly Islands, according to the nation.

⁷ Vietnamese Ministry of National Defense, October 22, 2014

Spratly and Paracel Islands in Vietnamese and international books and maps, National Defense Journal ⁸ Vietnamese Ministry of National Defense, October 22, 2014

Spratly and Paracel Islands in Vietnamese and international books and maps, National Defense Journal

⁹ National Bureau of Asian Research, Vietnam, Maritime Awareness Project

Political Statements

The Prime Minister of Vietnam in 2002, Phan Van Khai, and the Minister of National Defence in 2011, General Phung Quang Thanh, both promulgated that there shall be an implementation of the Declaration on the Conducts of Parties in the South China Sea (DOC), and they shall work towards the conclusion of a Code of Conduct (COC) between ASEAN and China. In 2012, the Foreign Ministry spokesperson Luong Thanh Nghi asserted, "Vietnam has indisputable sovereignty over the Hoang Sa and Truong Sa Archipelagos." In 2012, General Secretary Nguyen Phu Trong enunciated that, in accordance with international law, particularly the 1982 United Nations Convention on the Law of the Sea (UNCLOS (United Nations Convention on the Law of the Sea)), Vietnam has legitimate sovereign rights and jurisdiction over the Spratly Islands. In 2013, Prime Minister Nguyen Tan Dung and, in 2014, Deputy Prime Minister and Foreign Minister Pham Binh Minh reiterated Vietnam's rightful sovereignty over the Spratlys as per the UNCLOS of 1982. In 2014, President Truong Tan Sang divulged, "Vietnam has sufficient historical and legal evidence proving our sovereignty over Hoang Sa [Paracel] and Truong Sa [Spratly] archipelagos...." In the same year, Ministry of Foreign Affairs Spokesperson Le Hai Binh requested the Tribunal pay due attention to the legal rights of Vietnam. In 2016, he iterated that Vietnam would affirm its sovereign rights and jurisdiction over the economic zones and continental shelf of the Spratlys and Paracels¹⁰.

Vietnam's Advancements towards the Spratly Islands

In October 1956, Vietnam incorporated the Spratly Islands into Phuoc Tuy Province by decree 143-VN. Around 1971-73, North Vietnam claimed the Spratly Islands to be Vietnamese territory. In September 1973, ten Spratly Islands were incorporated into South Vietnam into the Phuoc Tuy

¹⁰ National Bureau of Asian Research, Vietnam, Maritime Awareness Project

Province. They sent troops to the Spratly Islands and Namyit Island and eventually occupied five or six islands. Vietnam subjugated six of the Spratly Islands in April 1975, wherein South Vietnamese troops had been sent earlier to occupy the region. In 1976, a map was published by Vietnam illustrating the new united Vietnam, which included both the Spratly and Paracel Islands. In May 1977, the Vietnamese government claimed twelve nautical miles of sea, an exclusive economic zone of 200 nautical miles, a continental shelf, and a contiguous zone. The Ministry of Foreign Affairs of Vietnam also published a white paper on their sovereignty over the Spratlys and Paracels. They established nineteen documents on their authority over the two archipelagos. In December 1982, the Vietnamese National Assembly resolved to shift the Spratlys to Phu Khanh Province from Dong Nai Province. On June 23, 1994, the Vietnamese National Assembly resolved to ratify the UNCLOS of 1982. The Vietnam Ministry of Foreign Affairs asserted sovereignty over the Paracels and Spratlys in May 2003. In June of the same year, Vietnam issued the Law on National Borders to do the same. In June 2012, a national maritime law was passed by Vietnam, exercising jurisdiction and sovereignty over the Spratly and Paracel Islands. In May 2015, photographs revealed that Vietnam had conducted an expansion of land areas at two sites in the South China Sea by adding new buildings at Sand Cay and West London Reef at the Spratly Islands.

Vietnam's Predicament with Other Nations

It is well established that Vietnam is not the sole nation that asserts asseveration over the Spratly and Paracel Islands. Five other nations, especially China, also aim to exercise their jurisdiction over the Spratlys and Paracels. In January 1974, Chinese and South Vietnamese naval forces had a confrontation over the Crescent Group in the Paracel Islands. This led to three South Vietnamese warships retreating and one warship sinking. China's military strength resulted in it gaining control of all of the Paracel Islands. In March 1988, there was yet another naval skirmish between Vietnam and China on the Johnson South Reef in the Spratly Islands. This, as well, ended in China's favour. They acquired command of the reef, which also brought about the deaths of 64 Vietnamese soldiers. Around 1992, the China National Offshore Oil Corporation (CNOOC) and Crestone, the American oil company, signed a contract with the Tu Chinh Bank. In May 1992, the Vietnamese Permanent Mission to the United Nations sent a note to the United Nations' state members to confirm the Tu Chinh area, which is located on the continental shelf of Vietnam, in order to reject the contract between CNOOC and Crestone. In December 200, it seemed as if a conclusion was arriving with respect to the contested islands. The Vietnamese and Chinese presidents at the time, Tran Duc Luong, and Jiang Zemin, respectively, signed the Tonkin Gulf agreements. This agreement included the demarcation of the continental shelves, territorial waters, and exclusive economic zones for the northern segment of the Gulf. An agreement for three years was signed between PetroVietnam, CNOOC, and the Philippine National Oil Company to conduct a joint marine seismic exploration of the South China Sea.

However, the cooperation between the nations was ephemeral. In June 2007, the Chinese Ki seismic survey vessel near the Paracel Islands was challenged by Vietnamese vessels. In 2009, a liaison between Malaysia and Vietnam emerged when they sent a joint proposal to the UN Commission on the Limits of the Continental Shelf on the outer limits of their continental shelves in the South China Sea. China issued new passports with maps that were inclusive of the Paracel and Spratly Islands in November 2012. This move was severely condemned by Vietnam and the Philippines. It resulted in Vietnam lodging a formal complaint with the Chinese embassy in Hanoi. However, that did not halt China from establishing dominance over the Spratlys and Paracels. In May-July 2014, a CNOOC-owned deep-water HYSY 981 drilling rig began exploratory and drilling operations in the Triton Islands in the Paracel Islands. This operation was challenged by Vietnam, which sent coast guard vessels to confront this rig. Soon, a multitude of Chinese and Vietnamese maritime vessels emanated near the rig, which led to a standoff between the two nations. The outcome of this standoff was that China finally moved its rigs and maritime vessels out of the region. Vietnam's Ministry of Foreign Affairs opposed China's land reclamation operation on Fiery Cross and Johnson South Reef in the Spratly Islands in September 2014. In December of the same year, Vietnam submitted its proposition on the South China Sea to the arbitration tribunal that had been established to hear the Philippines' claims against China. In 2017, China threatened to attack Vietnam in disputed waters when the Spanish energy firm Repsol worked on an offshore hydrocarbon block claimed both by China and Vietnam in the Spratly Islands. Later, Repsol had to stand down.

Conclusion

One can cognise that whilst Vietnam's claims over the Spratly Islands have a legal as well as historical basis, due to China's unparalleled economic and military strength, their assertion is weakening. If one takes into consideration the realist assumption of power centrism, China's unequivocal power cannot be contested. Even the balance of power theory clearly states that nations with excessive power can compel other nations with force, which is precisely what China has been doing. Even though Vietnam can attempt both internal and external balancing against China, its GDP of \$371.5 billion could never be a match against China's GDP of \$19.373 trillion. Vietnam's alliances are mainly the ASEAN nations, three of which also assert claims over the Spratlys: Brunei, Malaysia, and Indonesia. One could say that whilst international law and historical evidence might be on Vietnam's side, fortune and power are not. Alas, China is a regional bully, whilst Vietnam is a righteous but docile state in contrast.