East and South China Seas Maritime Dispute Resolution and Escalation: Two Sides of the Same Coin?

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Abstract
Our assumptions about the nature and conduct of contemporary international politics deeply impact how we view maritime disputes plaguing the East and South China Seas. In this article, our analysis of the push and pull factors that influence the extent and possible resolution of maritime disputes in East Asia reveals that war is neither opposed in principle nor completely forbidden as an alternative. Amid heightening maritime tensions in the region, we argue that the underlying forces sustaining complex interdependence are what prevent rival states from engaging into a realist-inspired, zero-sum warfare. However, this is not to suggest that economic interdependence creates an absolute power that completely eradicates these flashpoints, and neither do we imply that it faithfully reflects East Asia’s maritime political reality. Although East Asian countries (particularly the more powerful ones) may think that open war can be justified, as a matter of practical utility, avoiding it is likely to be more effective in achieving the goals of a given conflict.

Keywords
Association of Southeast Asian Nations (ASEAN), complex interdependence, realism, maritime dispute resolution, China

Introduction
Our assumptions about the nature and conduct of contemporary international politics deeply impact how we view maritime disputes plaguing the East and

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South China Seas. Moreover, they also determine how we formulate theories that can potentially explain how they might be resolved or not. It is our view that the key assumptions of the political realists provide an insufficient basis for understanding the intangible, albeit potent, the power of complex interdependence that is holding back East Asian states (comprised of Northeast and Southeast Asia) from engaging in an open conflict. Notwithstanding the perturbing image painted by realism, complex interdependence offers a different, and sometimes, an even closer version of a ‘realist reality’. Amid heightening maritime tensions in the region, we argue that the underlying forces sustaining complex interdependence are what prevent rival states from engaging into a realist-inspired, zero-sum warfare. However, this is not to suggest that economic interdependence creates an absolute power that completely eradicates these flashpoints, and neither do we imply that it faithfully reflects East Asia’s maritime political reality. Indeed, the region’s historical and contemporary disputes are nested in an environment of a high degree of economic interdependence among the disputants. Such an observation indicates that complex interdependence theory does not provide a panacea to increasing maritime problems in the region.

What we argue is that despite their ‘shadow-boxing’, the invaluable threads of economic, political and strategic interdependencies are compelling the disputing actors to adopt a relatively pacifist approach to maritime security. While the recent events in the region have resulted in heightened pursuit for ‘realist necessities’, the extreme reluctance and consistent refusal of disputing actors to engage in all-out maritime warfare suggests that ‘pragmatic pacifism’ remains to be the preferred strategy for resolving conflicts rather than ‘mindless militarism’. The mutually assured destruction of interdependent linkages that a warfare solution will bring about is both counter-intuitive and counterproductive to the motives that drive these conflicts to begin with. Given the invaluable positive externalities being generated by complex interdependence, we make the corollary argument that the solutions to maritime security issues in the East and South China Seas do not entirely depend on the institutional capacity of regional organizations such as the Association of Southeast Asian Nations (ASEAN) and Asia-Pacific Economic Cooperation (APEC). In contrast, the informal and non-institutionalized capacity of complex interdependence to prevent the militarization of state actions and policies from reaching an irreversible track is what renders open war the least appealing option.

In this article, we examine the ‘push and pull’ factors that determine the extent of maritime disputes in the region, on the one hand, and the likely instruments for their resolution, on the other. In particular, we assess the ‘pull factors’ of complex interdependence against the ‘push factors’ of realism vis-à-vis the East Asian maritime disputes. One way of answering why disputing states in East Asia do not resort to a full-blown, offensive military warfare is to assess whether the level of presumed complex interdependence in the region is significant enough to thwart the logic of war that might appeal to disputing states.

Keohane and Nye (1977) identify three key characteristics of complex interdependence, namely, presence of multiple channels, the absence of hierarchy among issues and minor role of military force. Looking at the region surrounded
by the East and the South China Sea, we argue that these three factors still hold true despite the heightening maritime tensions among the disputants. Although traditional theories of international politics are bent on rejecting the accuracy of these claims—and therefore, contest the existence of complex interdependence altogether—we argue that these three conditions are reasonably approximated in the case of East Asia. The net ‘pull effect’ of complex interdependence is critical to explaining the unlikelihood of a full-blown militarized war for resolving the maritime conflicts in the East and South China Seas.

The ‘Push Factors’ of Realism in East Asian Maritime Disputes

Seamless Web of Realist Politics

First, the realist analysis of the international system predicts a similarity in political processes on a range of issues. States with the strongest military and economic capabilities are expected to link their own policies on specific issues to smaller, weaker states’ policies on other issues. In doing so, great powers are bound to dominate and take control of various global and regional organizations dealing with a wide-array of issues. By projecting their military and economic might to dominate issues in which they have little influence over, strong states are able to establish congruence between the general structure of military and economic power, on the one hand, and the pattern of outcomes on virtually every issue area, on the other. The overwhelming pressure to be competitive and the need to survive in the international system will force small and weak states to emulate the policies, structures and systems of large and powerful countries. While the non-conforming states are bound to be socialized into the system and will eventually behave in a manner similar to the conforming states (Alagappa, 1998; Waltz, 1979). In essence, the system prohibits functionally differentiated units. As a result, differences with respect to functions will be minimized and disappear over time, causing states to exhibit common characteristics. Thus, international politics from a realist standpoint resembles a seamless web.

Given the seamlessness of world politics, realists are highly sceptic about the appeasing consequence of well-orchestrated trade interdependency (Howard, 1978; Keohane, 1984; Nye, 1988; Wyatt-Walter, 1996). In contrast, the realist thesis stresses the dangers posed by excessive economic dependency, particularly with respect to smaller, weaker states (Donnelly, 2005; Elman & Jensen, 2014; Garcia, 2013). Although they do not reject the wealth-creating effect of trade, the inherent anarchic structure of the international system compels state actors to limit state interdependencies to mitigate vulnerabilities. Accordingly, states still reserve the right to wage war whenever trade relationships engender intolerable levels of insecurity, whether real or perceived. From a realist perspective, this ‘Hobbesian fear’ justifies the use of war to reduce the sense of vulnerability emanating from disproportionate trade interdependence since politico-strategic concerns always supersede economic considerations.
The most fundamental disagreement between neoliberals and neorealists lies in their differing conceptions of what should constitute national interest. While the former argues that countries are primarily concerned with the maximization of absolute gains, the latter contends that countries are mainly worried about relative gains. Nevertheless, as Waltz (1979, p. 106) argued, the existence of power imbalance compels states to ‘be more concerned with relative gains than with absolute gains’. Applying this neorealist prescription to the current situation in East Asia, countries will abandon ongoing cooperative dialogues where they gain less than their counterparts. Such preoccupation with relative gains severely hampers prospects for cooperation in resolving maritime disputes since states need to worry about two things: first, whether they can gain something from cooperative measures or not; and second, whether these gains significantly outweigh those that accrue to other members. The realist notion that states may be satisfied with conflicts that leave them absolutely worse off so long as their adversaries are left even worse off implies that a full-blown war remains a viable option for resolving existing maritime disputes.

Thus, the neorealist responses to the idea that the existing level of economic interdependence in East Asia is enough to guarantee a peaceful resolution of maritime conflicts can be summarized into two points: (a) that the insecurity engendered by an anarchic environment always takes precedence over the pursuit of economic security since survival remains the ultimate goal of any sovereign state and (b) that the notion of existing economic interdependence provides illusory perceptions of parity and shared vulnerability to external economic forces in the international economy given the lopsided distribution of power throughout global trade and financial institution (Burchill, 2005; Donnelly, 2005; Elman & Jensen, 2004; Grieco, 1997).

As Kirshner (2003, p. 274) concisely puts it, ‘what distinguishes realists [from the liberals] is that they can be placed on that end of a continuum which stresses the likelihood of war, threats of war, and the need for states to shape their policies in the light of this consideration’. Carr’s (1939) image of potential war is a crucial factor when explaining why countries choose to ignore activities that threaten to undermine state security despite their huge economic incentives. The trade-off between wealth and power is always decided in favour of the latter since the pursuit of strategic political goals constantly demands economic sacrifices.

Hierarchic Realist Agenda

Second, based on the realist thinking, international politics follow a hierarchy of issues in which the ‘high politics’ of military security dominates the ‘low politics’ of socio-economic affairs (Brown, Lynn-Jones, & Miller, 1995; Mearsheimer, 1994; Waltz, 1979). Conflicts among countries are a permanent fixture of world politics and force is nothing short of necessary. Accordingly, the primary goal of states is to defend their territories and interests from threats, either real or imagined. To do so, states are required to skillfully master the use and/or threat of force instead of the convoluted cost-benefit analysis of economic interdependence.
For realist observers, one of the most serious deficiencies of economic remedies to maritime disputes in East Asia is the precarious assumption that economic interests are as equally significant (or more) than politico-strategic interests (Simon, 1995; Tonnesson, 2002; Webber, 2001). The irony that liberals conveniently tend to ignore is the capacity of economic interdependence to create new conflicts as much as it can mitigate them. The friction, nationalist backlash and aggressive behaviour that economic relations engender weaken the assumption that economic relations can effectively resolve and temper current territorial and maritime clashes. Moreover, the idea that economic interdependencies generate gains that can outweigh those offered by disputed lands or waters cannot be taken as a prima facie evidence (Blanchard, 2009). The China–Japan rivalry over the Diaoyu/Senkaku Islands in the East China Sea, on the one hand, and the Russia–Japan contention over the Northern Territories, on the other, underline the failure of economics for resolving and settling critical territorial and maritime conflicts in the region (Blanchard, 2009; Valencia, 2007). As far as the realists are concerned, such empirical cases illustrate the myopia (if not, naivety) driving the liberals’ formulation of economic cures for maritime conflicts.

Non-military issues—specifically, economic interdependence via free trade—are not only secondary to military ones but are also examined for their political and strategic implications. Realists point out to two fundamental problems encountered when using the term ‘free trade’: its benign symbolism and the evident disconnect between rhetoric and praxis on the part of its most ardent advocates. Critics dismiss free market rhetoric as a tool arbitrarily applied by powerful states to secure their own political and strategic objectives by exploiting the weaker countries. With significantly reduced control over their own domestic economic statecraft, small countries are left exposed to the vicissitudes of the global market, making them susceptible to manipulations by big players (Burchill, 2005; Durand, 2014; Gilpin, 2002). Once the playing field is skewed to their advantage, the most rational objective for the developed countries is the removal of all forms of state protections in the developing world.

Relatedly, the critique of free trade imperialism highlights the prevalent double standards practiced by its progenitors and the degree with which the global economic configuration is promoted by neoliberals ironically demands government interference for its realization (Cunningham, 2014; Gallagher & Robinson, 1953; Semmel, 2004). Economic doctrines endorsed by rich and powerful states as ‘universal principles’ are specifically designed for the more effective and efficient exploitation of poor and vulnerable states. No advanced economy willingly embraces these conditions unless they happen to provide interim benefits. For these reasons, military security should be primary goal of all states and must not, under any circumstance, be subordinated to the free market objectives.

**Major Role of Military Force**

Third, from the realist perspective, the absence of an overarching authority that guarantees survival engenders a self-help system. This means that the pursuit of
state security is highly competitive. As Waltz (1979, p. 118) had argued, states ‘at minimum, seek their own preservation and, at maximum, drive for universal domination’. To improve survivability, states continuously develop their hard power capabilities. Such an approach to national security amplifies the importance of military competition among states (Huth & Russett, 1993; Jervis, 1998; Posen, 1993). The race for a greater military wherewithal compels state actors to prioritize their relative gains instead of their absolute gains (Grieco, 1988; Powell, 1991; Snidal, 1991). States are more interested to know whether the gains that accrue to them as a result of cooperation outweigh those captured by others. Consequently, states are expected to baulk at cooperation if they expect to benefit less than their rivals. For as long as the international system is anarchic, realists believe that the weight of the security dilemma will continue to dictate the conduct of international politics (Glaser, 2010; Keohane & Martin, 1995; Mearsheimer, 1994). Within a hierarchic political order, states have a tendency to ‘bandwagon’ with the strongest and most powerful state to increase their gains while simultaneously reducing their losses (Goldstein, 1991; Kydd, 2005; Schweller, 1994). In contrast, under an anarchic system, states’ military capabilities, specifically those of great powers, will always threaten others given the lack of a central authority that will maintain order. Rather than bandwagoning, smaller and weaker states attempt to reduce their insecurities by ‘balancing’ against a stronger party (Kaufman, Little, & Wohlforth, 2007; Little, 2007; Paul, Wirtz, & Fortmann, 2004). Thus, self-reliance is considered to be safest and most effective strategy to ensuring survival. The idea of political integration among states rises only if it serves the national interests of the most powerful states. Transnational actors either do not exist or are politically unimportant.

In the case of East Asia, the Sino-Japanese rivalry pushes ASEAN states to make strategic calculations to abate the snowballing costs of China’s expansive territorial claims in East and South China Seas. Japan’s bilateral efforts to peacefully resolve maritime disputes via constructive dialogues create several positive externalities for this group of relatively small and weak states by (a) strengthening ASEAN states’ coast guards, (b) providing financial assistance to improve ASEAN’s institutional capacities as a regional organization and (c) enlisting the cooperation of US allies in the region to balance China (de Castro, 2013; Leavitt, 2005; Macintyre, 2004). While some members have strengthened their ties with Japan, the continental members have chosen to stick closer to China, thereby, creating divisions within the ASEAN. Internal polarization, coupled with the lack of a binding code of conduct vis-à-vis maritime issues, inevitably results in the diminution of ASEAN’s cohesion and effectiveness as a regional institution (Welsh, 2013). Doing nothing to prevent the decay of regional groupings, such as the ASEAN and APEC, is not in the best interest of East Asia given the basic (albeit critical) fact that China is big while rest of them are small.

This is where the scathing neorealist critic of temporary alliances and alignments finds relevance. Regional organizations are provisional precisely because their construction is based on shifting power distributions and changing calculations of national interest (Mearsheimer, 1994). Clearly, neorealists are highly sceptic of cooperative approaches to security, claiming that it is hard to achieve
and even more difficult to maintain. Several factors such as the option to cheat, concern for relative gains and the risk of neglecting national capabilities considerably weaken the drive to collaborate and cooperate (Alagappa, 1998; Lipson, 1984; Schweller & Priess, 2008). Consequently, neorealists downplay the power of norms and institutions, dismissing them as a ‘false promise’ (see Mearsheimer, 1994) or a type of ‘organised hypocrisy’ (see Krasner, 1999). They are regarded as mere manifestations of the power amassed by dominant players and have a marginal consequence on the conduct of interstate relations. In the words of Mearsheimer (1994, pp. 5–7), institutions ‘matter only on the margins’ and ‘have no independent effect on state behaviour’.

As far as the realists are concerned, pursuing collective security via a membership in regional organizations such as ASEAN and APEC is a futile strategy for enhancing the national security as it requires the subordination of domestic interests to that of the wider community (Mearsheimer, 1995; Ruggie, 1995). Both the problem of and the approach to security are best explained using the logic of anarchy in which power trumps all other forms of interests (Kissinger, 2003; Rich, 1992; Whiton, 2013). State behaviour is determined mainly, if not solely, by material structures underpinning the regional and global systems rather than ideas and institutions (Kratochwil, 1993; Mearsheimer, 1994; Waltz, 1979). For as long as sovereign states remain as key agents of international politics, anarchy will continue to be the ordering principle. Accordingly, military force will persist to be a staple interest of all states involved in East Asian maritime disputes.

The ‘Pull Factors’ of Complex Interdependence on East Asian Maritime Disputes

Multiple Channels of Interdependence

The East Asian region is one of the most interconnected regions in the world as evidenced by the existing economic and political linkages among disputing states. Economically, the indicators measuring the degree of economic integration and cooperation among East Asian economies—in trade, investment, financial assets and people-to-people exchange—reveal a substantial increase over time, and now approaches that of the EU (Capannelli, Lee, & Petri, 2010). With respect to trade, East Asian countries have increasingly pursued economic liberalization through multiple channels (multilateral, regional/sub-regional and bilateral), so much so that it resulted in the so-called ‘noodle bowl’ of overlapping free trade agreements (FTAs). The total number of FTAs in the whole of Asia has increased by a staggering 58 per cent from 124 in 2005 to 215 as of September 2015. Sixty-two per cent of these FTAs (134) are currently in effect, while an additional 14 have already been signed and awaiting enforcement. Asian free trade activities (specifically those launched by East Asian countries) are not only developing within the region but also beyond it, thus indicating that they have not been diverted from the rest of the world. Indeed, within the last 40 years, Asian trade with global trading blocs, including the European Union (EU),
North American Free Trade Agreement (NAFTA) and MERcado COmún del SUR (MERCOSUR), has risen both in absolute terms and relative to the region’s gross domestic product (GDP) (Capannelli et al., 2010). The extent of regional interdependence based on intraregional trade share (IT share) and intraregional trade intensity (IT intensity) suggests that East Asian trade strategies help promote open regionalism by refraining from adopting discriminatory practices that exclude non-regional members. In other words, the increasing regional interdependence among East Asian economies coincides with growing integration with world markets and the global economy.

With respect to foreign direct investments (FDIs), data available from various international organizations, such as the World Bank, IMF and United Nations Conference on Trade and Development (UNCTAD), reveals that intraregional FDIs in the Asian region is comparable to levels in North America and Europe, and is also steadily (albeit moderately) growing over time. Despite some of the domestic restrictions towards FDIs (notably, in China and Indonesia), nevertheless, there are other important developments that support the assumption that FDI inflows will remain large in the region (Karlsson et al., 2009). Sjöholm (2013, p. 11) identifies two key examples of these developments: (a) the technological changes that have enabled increased global economic integration and (b) the ideological shift among government officials and policy elites that have generated a more positive attitude towards globalization and multinational enterprises. In East Asia, particularly those in the Southeast, the key determinants of FDIs are market size, trade openness, labour force growth and infrastructure index. Thus, in order to attract more FDIs, governments are being compelled to sustain their growth momentum to expand market size, espouse open trade strategies, craft policies that better exploit their labour resources and enhance infrastructure facilities (Sahoo, 2006; Sjöholm, 2013).

With respect to macroeconomic interdependence, macroeconomic links among integrating economies in Asia have substantially increased before and after the 1997/98 financial crisis (Capannelli et al., 2010). According to the 2008 Asian Development Bank (ADB) study on emerging Asian regionalism, the level of macroeconomic interdependence among the countries in the region during the last decade was comparable with that in the EU and NAFTA. Moreover, as Asian trade with European and North American countries continue to expand in recent years, the correlation of Asian GDP vis-à-vis the EU and NAFTA has also increased (Capannelli et al., 2010). Therefore, it can be inferred that Asian economies are becoming increasingly interdependent not only among themselves but also with the EU and NAFTA (ADB, 2008). This should not come as a surprise, considering that as economies cultivate closer relations such as in areas of trade and finance, the role of markets as drivers of regional economic activity becomes increasingly important (Chen & Woo, 2008).

Finally, with respect to the person-to-person exchange, the growing production networks across East Asia result in increasing flow of labour among these economies as new employment opportunities are created (Capannelli et al., 2010). Despite the difficulty in quantifying labour migration flows from and to the region, the available data on labour mobility in the context of East Asian regional
integration suggest that people-to-people exchange is generally increasing (Chia, 2006). As a result of a more open region, the factors of production also become more mobile. Several empirical studies show that enhanced mobility in factor-endowments helps narrow down the income gap between rich and poor members of a particular region (Dorrucci, Firpo, Fratzscha, & Mongelli, 2002; Fisher, Sahay, & Vegh, 1988; Vamvakidis, 2008). Based on the world economic indicators compiled by the World Bank, it can be inferred that East Asia’s intensifying regional integration within the last 20 years contributed to a marked decline in intraregional income gap. It is worth noting that this reduction in income gap took place at a rate that is much faster than in Europe and North America (Capannelli et al., 2010). This capacity of regional group members to bridge the income gap faster than non-members (whether real or perceived) provides another strong justification for ensuring that maritime disputes do not lead to outright war.

These overlapping economic linkages underscore the extent of complex economic interdependence that is holding up the region. By entangling disputant states in an intricate pattern of economic interdependencies, the cost of war is substantially increased, thereby making it a less appealing option. As Mastanduno and Ikenberry (1989) point out, intensifying interactions between local and global politics complicate the key task of state leaders and officials to secure their objectives in both spheres. This is true not only for small and weak countries but also for the advanced and powerful states. The realities of interdependence suggest that governments’ capacity for pursuing national economic policies is dependent on the developments shaping the global economy. On the one hand, the success of domestic policy is constrained by the collective performance of states vis-à-vis the goal of creating a helpful and accepting international order; and on the other, the fulfilment of global objectives is influenced by the prevailing political and economic attitudes of the domestic players (Mastanduno & Ikenberry, 1989).

The continuous movement of trade, direct investment, financial capitals and social exchanges enables us to understand how domestic leaders and policymakers pursue national interests within the global system, as well as how global goals are incorporated within the domestic system. Their negotiations and implementations allow state actors to realize that effective international cooperation is not only contingent on outward interests and actions of their foreign counterparts, but also on their skills for managing and deflecting internal political pressures. These multiple channels of economic interdependence are instruments for restraining the propensity of states to adopt a policy of open war when resolving maritime disputes as it threatens to shred the foundations of existing trade networks among them.

Politically, East Asian governments have shown considerable efforts in building regional institutions designed to mute out the political crises affecting the region, specifically those that threaten, directly or indirectly, their maritime security. In 1993, the ASEAN Regional Forum (ARF) was created to provide an effective consultative platform that will promote open dialogue on political and security cooperation in the Asia-Pacific region. The ARF was and still is expected to make significant contributions to efforts toward confidence-building and preventive diplomacy in the region. Meanwhile, in Southeast Asia, the
ASEAN Political-Security Community (APSC) pillar of the highly anticipated ASEAN Community aims to ensure that countries in the region live at peace with one another. The members have pledged to rely solely on peaceful processes when resolving intraregional differences and treating their security as fundamentally linked to one another.

Despite the presence of these forums, critics note that in East Asia, the underlying regional security complex still compels states to adopt power balancing and deterrence strategies (Beeson, 2014; Yamamoto, 2013). In contrast with the economic sector, in which substantive and mutually beneficial relations have been gradually realized, regional political cooperation in East Asia has been limited. Although the values and norms of the free market have steadily become widespread, they did not replace the deeply held principles of non-interference and non-intervention.

Nevertheless, by broadening the scope of governments’ internal affairs, domestic policies become increasingly impinged on one another. This results in the blurring of lines between the domestic and foreign policies of the disputing states, thus, making them more sensitive towards each other’s maritime interests. Diverging political interests and cultural values certainly place some barriers to a much stronger cooperation among East Asian economies. But as economic and social connections continue to advance and prosper necessities towards greater institutionalization of cooperative decision-making process will grow and may pave the way for the creation of more sophisticated frameworks for regional political cooperation. Notwithstanding the relative failure of these regional forums in addressing jurisdictional spats and legal sovereignty debates in East Asia, each creates additional political constraints that prevent disputing parties from taking escalated military measures for resolving their maritime conflicts. This increasing complexity of players and issues in regional politics is what ‘checks and balances’ the utility of the militarized force.

Absence of Hierarchy among Issues

Building interstate relations creates a scenario in which multiple security referents and issues are deemed to be relatively equal and, therefore, require the same amount of priority in the agenda. This implies that military security does not, and need not, always dominate the security policies and strategies of states. The dichotomy between the ‘high politics’ of military threats and the ‘low politics’ of non-military issues creates a misleading notion that the latter is more dangerous, and therefore deserves more attention. By disproportionately highlighting military threats to state-centric security referents (e.g., sovereignty, territory and jurisdiction), the attention and interest of the public are diverted from other types of dangers taking shape within the national borders and beyond. Threats outside the traditional interpretations of military security have equal or greater potential to destabilize the whole country, yet they are pushed on the backburner. As far as the realists are concerned, the reason for this is rather simple: the state is still the chief provider and agent of security. Given the state system’s role as the optimum security guarantor,
on the one hand, and the primary determinant of state behaviour, on the other, military threats to states such as those relating to maritime sovereignty should remain the primary focus of national security.

These realist claims about the primacy of the state in domestic and international politics, and the ‘rightful’ referent of security face three major challenges. First, the state’s capacity for fulfilling its key functions including the provision of national security, welfare, identity and environment has been constantly diminishing (Alagappa, 1998; Guéhenno, 1995; Rotberg, 2003). The state is either too big or too small to satisfy basic human security needs and efficiently address immense domestic and regional threats. With respect to physical security, the state is barely the most effective provider of external defence considering the capacity of nuclear deterrence strategy for systematically annihilating the individuals and societies that it intends to protect (Aydinli & Rosenau, 2005; Kirshner, 2013; Ripsman & Paul, 2005, 2010). With respect to the economic welfare, the emergence of highly integrated international markets, reinforced by intra- and trans-regional networks, has substantially reduced state authority over domestic economic policies and strategies (Holton, 2011; Tanzi, 1998). With respect to identity, a state-configured ‘national identity’ weakens the multi-layered and intersecting identities of individuals and groups, on the one hand, and retards the development of unique regional and local characters, on the other (Ariely, 2012; Blum, 2007; Velayutham, 2007). Finally, with respect to the environment, the most urgent ecological threats today (e.g., climate change and global warming; deforestation and declining biodiversity; water degradation and land rush; ocean system collapse and habitat loss; increased pollution and unsustainable human populations) cannot be effectively addressed at the state level given their transnational reach. In short, the state now has to share some of its power and authority with other agents (Alagapa, 1998; Milner & Moravcsik, 2009). Consequently, the state continues to lose some of its former relevance in the international polity. Although this does not suggest that the state is becoming an obsolete concept, it does indicate a gradual devolution of state power.

Second, far from their image as security providers, states can also be deemed as a progenitor of insecurity (Alagappa, 1998; Paul, 2010; Rotberg, 2003). Classical liberalism depicts the state as a necessary evil that must be strictly controlled and regulated, whereas traditional Marxism views it as a medium for systematic exploitation by the ruling class. Both accounts view civil society as the source of earnest virtues while the state is considered the root of irrational conflicts. Governments propagating a state-sponsored identity and legitimizing an elite-centric domestic arrangement are bent to adopt ‘national’ security policies that justify their oppressive actions towards the rest of the population (Adams, 2010; Adamson & Demetriou, 2007). Thus, it can be inferred that states are reinforcing the insecurities and vulnerabilities felt by marginalized groups instead of mitigating them. Identifying the ‘correct’ or ‘rightful’ security referent(s) by moving beyond a state-centric view of national security is nothing short of imperative.

Third, the state should not be viewed as the end goal but a means for securing the life and freedom of the citizens and safeguarding their socio-economic welfare.
Therefore, the main goal of national security is not state defence but protection of individuals, groups and societies that constitute it (den Boer & de Wilde, 2008; MacFarlane and Khong, 2006). This implies that the primary referent of national security policies and strategies must be human-centric, especially in instances in which the legitimacy of the state or regime is contested. Without the citizens’ consent and support, political institutions lose their legitimacy and likewise, without individuals and communities occupying and claiming a piece of land, a territory loses its worth and meaning (Alagappa, 1998; Silva, 2014). Imminent threats are only relevant when they pose risks to people and their means of support. As the UNDP (1994) puts it, security is essentially about human beings. But because of the presence of systemic constraints induced by deeply embedded political constructs, the human space, the security rhetoric and agenda is substantially undermined. As a result, the people and citizens become a sub-element of the state along with sovereignty, territory and government.

The presence of complex interdependence further emphasizes these points by showing why and how national security cannot be simply equated with the military security of states. One of the key upshots of transnational relationships precipitated by a multipronged interdependency is the emergence of a shared network of power between internal and external actors, designed to deter both military and non-military threats to their collective security. By introducing the non-state referents as having the same legitimate claims to survival as the states and portraying non-military issues as being equally perilous as the military ones, the scope of national security rhetoric and agenda is being broadened and deepened (Alagappa, 1998; Milner & Moravcsik, 2009). Through complex interdependence, the political barriers that separate states from one another are mitigated, while state actors are forced to coexist with a host of inter and intra-state agents. Politics, as the old adage goes, does not stop at the waters’ edge. Accordingly, the states, along with their principal actors, are becoming more immune to the decision-making behaviours of the outsiders. The lack of policy coordination on these issues involves substantial costs. Varying issues do not only engender varying coalitions (within governments and across them), but also entail varying degrees of conflict (Keohane & Nye, 1977; Nye, 1998).

This exposure to the security interests and national aspirations of the others is what enables domestic actors to be more perceptive and accommodating to other types of values and attitudes. This is clearly illustrated by ASEAN members’ ability to reach collective understandings and interpretations of a shared normative terrain constituted by (a) sovereign equality, (b) non-recourse to the use of force and the peaceful settlement of conflict, (c) non-interference and non-intervention, (d) non-involvement of ASEAN to address unresolved bilateral conflict between members, (e) quiet diplomacy and (f) mutual respect and tolerance (Haacke, 2003; Roberts, 2012; Tan & Ramakrishna, 2004). Despite the limits that adherence places on members’ capacity for reaching a consensus on vital maritime issues, it is precisely the collective belief towards these values that continues to sustain ASEAN’s political legitimacy. More importantly, this shared normative terrain further strengthens the informal power of complex interdependence for preventing the complete militarization of maritime disputes in the East and South China Seas. ASEAN’s paradoxical approach to regional maritime unity—by
continuously advancing economic and political convergence among member states while requiring complete deference to these normative traditions—is a symptom of the ‘pull’ effect of complex interdependence.

**Minor Role of Military Force**

The presence of complex interdependence prevents states within the East Asian region from using force towards each other. The rather simple reason for this is that military force is often irrelevant and inappropriate to resolving differences on non-military issues among the coalition members that have also become vital aspects of national security, including economic, environmental and epidemic problems. Aside from their invaluable non-military costs (such as in the case of China’s unilateral reclamation activities in the South China Sea), the impact of using military force can be very uncertain. As Angell (1933) succinctly puts it, the economic utility of war is nothing but an illusion. There are numerous theoretical and empirical evidences that support this claim. Theoretically, liberals maintain that all states accrue substantial benefits from free trade. Ricardo (1911) had long argued that free trade unites the universal society of nations across the civilized world through a common thread of interest and interaction. In one state after another, state leaders recognize that they now have greater chances of revitalizing their economies through opening borders once thought to be impenetrable and sacred (Powell, 1994). In the words of Kant (in Burchill, 2005, p. 63):

> Trade … would increase the wealth and power of the peace loving, productive sections of the population at the expense of the war-orientated aristocracy, and … would bring men of different nations into constant contact with one another; contact which would make clear to all of them their fundamental community of interests.

Thus, the pursuit of free trade is considered the more peaceful and humane strategy for accumulating national wealth as it breaks down distortive artificial barriers that injure perceptions and complicate relations among culturally distinct individuals and communities (Howard, 1978; Keohane, 1984; Mitrany, 1948; Nye, 1988; Wyatt-Walter, 1996). The interdependence engendered by trade is viewed by liberals as a crucial peace-enforcing mechanism in the international system that harmonizes competing for national interests (Burchill, 2005; Healey, 2014; Riezman, 2013). States pursuing divergent objectives are compelled to preserve a substantial level of collective security to ensure stability and predictability in the system (Keohane, 1984; Nye, 1988). These underlying economic relations have significantly reduced the material value of territorial conquest. Additional colonial territory does not automatically increase the competitive advantage of an imperial state. In an international system in which the ‘trading state’, rather than the military state, is consistently gaining momentum, national wealth is increasingly becoming a function of a country’s total share in the world market (Fridell, 2006; Lang, 2006; Rosecrance, 1986). This assertion has two important implications that do not sit well with the realist view of trade. First, that the era of self-sufficient state is over and second, that territorial conquest has become an expensive and a risky business (Dean, 2014; Slocum, 2006; Strange, 1996).
Empirically, Oneal and Russett’s (1997) examination of liberalism’s economic and political prescriptions for peace reveals that higher levels of economically important trade (indicated by the bilateral trade-to-GDP ratio) correspond to lower incidences of militarized interstate disputes and war; while economic openness (measured in total trade-to-GDP ratio) is also inversely proportional to likelihood of dyadic conflict. These findings are further substantiated by Anderton and Carter’s (2001) study which estimated the opportunity cost of forgone trade. While the results generated from their analyses are not homogenous, nonetheless, they support the assertion that trade promotes peace by raising the cost of war. Similarly, Oneal, Russett and Berbaum’s (2003) investigation of the causes of peace suggests that economically important trade does have a substantively important effect in reducing dyadic militarized disputes, even with extensive controls for the influence of past conflict. They conclude that ‘the pacific benefits of democracy and trade are statistically significant, substantively important, and robust’ (Oneal et al., 2003, p. 387). Meanwhile, Martin, Mayer and Thoenig’s (2008, p. 874) model and empirical results also indicate that regional and bilateral trade agreements have positive consequences for political relations as they ‘unambiguously lead to lower prevalence of regional conflicts’. Such finding strengthens the belief that intensifying trade among East Asian countries helps augment peace prospects as they become further entangled by institutional and political bonds.

These theoretical and empirical studies underline the assertion that economically important trade does have substantial pacific benefits. However, it will be naïve to suggest that the role of military force in international politics is no longer necessary or has become obsolete. As the political realists have pointed out time and again (from Carr, Morgenthau, Waltz, Gilpin and to all other scholars that have religiously followed the realist doctrine), force dominates all other means of power particularly in cases where there are zero constraints on one’s choice of instruments. Considering that the primary goal of all states is survival, military force will continue to be a key component of national power. But as the indivisible threads of complex interdependence continue to grow and become self-reinforcing, military force is now being used as a deterrence strategy by a regional hegemon (e.g., China) when negotiating its contested politico-strategic interests with weaker countries (e.g., the Philippines, Vietnam and Taiwan) rather than an instrument of outright war. Despite the negative perceptions of some scholars and practitioners towards deterrence, it is crucial for preventing the actual use of offensive power in resolving East Asian maritime conflicts.

As far as the present conditions surrounding the East and South China Seas are concerned, neither all-out war nor preventive war is necessary, given that many threats are often exaggerated and can be met with a robust but less militarized policy such as deterrence. While the continuous power struggle and military gridlock between China and Japan have ruffled some feathers, there are no solid evidences that can support the assertion that the conditions are now ripe and it is only a matter of time before war breaks out. The argument for preventive war hinges on unverified expectations that the future will be grim unless governments adopt this approach for settling their maritime disputes, or that the current maritime situation will be worse than the likely one produced by such war.
The capacity of complex interdependence to limit the use of military power as a deterrence strategy substantially adds up to its ‘pull effect’ by constraining the disputing states from resorting to preventive or full-blown maritime warfare. Deterrence is preferred over preventive war because obtaining relevant tactical information prior to the launch of a preventive war is problematic as it requires predictions about threats that reside sometime in the future. For instance, it is not clear whether China’s reclamation activities will lead to the physical conquest of smaller neighbouring countries, particularly Vietnam and the Philippines, as being feared by some observers. Similarly, it is also not clear how Japan’s recent reinterpretation of its post-World War II constitution (which now allows the Japanese military to defend its allies in a limited role in conflicts abroad) will alter the current power configuration in East Asia and whether such a change will bring more peace or destruction. Equally important is the lack of confidence for determining exactly how the United States will respond when these two behemoths clash and how smaller, weaker states will align themselves when push does come to shove. As Jervis (2003) points out, such short-cuts to the assessment process are highly fallible, given that information on capabilities and past behaviour are not always available. While much remain unclear and subject to debate, it is very easy to publicly exaggerate and even privately overestimate both China and Japan’s military resolves for gaining control over East Asia’s maritime issues.

Moreover, should a regional hegemon (China in this case) decide to launch a preventive war, it must be prepared to repeat it if not all challengers (including the potential ones) are effectively deterred. Preventive war requires relentless support from domestic and international audience which is made less likely by the fact that it heavily relies on vague evidences and flimsy supporting arguments. If China did engage in a war with Japan (and its smaller allies, Vietnam and the Philippines), the public would have believed that neither the cause nor the end was worth it or, at least, questioned its wisdom. Although it is untimely to accurately determine how Chinese opinion will deem Japan’s return to arms race, a degree of cynicism will make the execution (let alone repetition) of a preventive war strategy less likely. Even when domestic opinion has less impact in countries where some semblance of authoritarianism is evident (i.e., China), their governments might also be hesitant to resort to the actual use of force as it disrupts other mutually beneficial relationships, both military and non-military (Tan and Chen, 2013). To borrow Otto von Bismarck’s analogy, preventive war is ‘suicide for fear of death’ (cited in Jervis, 2003, p. 370). And the current situations do not merit an act of *hara-kiri*, neither on the part of the protagonist nor the antagonist. Despite the sense of urgency that threats to maritime sovereignty (both real and perceived) entails, the public does not view them as a matter of life and death. These arguments further strengthen the impetus for sustaining the existing webs of complex interdependence amid maritime rows in East and South China Seas.

**Conclusions**

The analysis of the push and pull factors that influence the extent and possible resolution of maritime disputes in East Asia reveals that war is neither opposed in
principle nor completely forbidden as an alternative. Nevertheless, for the most part, the countries directly involved in the conflicts have avoided fully militarizing the region and, instead, favoured a more pragmatic form of pacifism. This scenario implies that the resolution to, and escalation of these conflicts are essentially two sides of the same coin. On the one hand, the disputing states are still actively pursuing realist necessities in attempts to curb the insecurities induced by the security dilemma enveloping the region. These actions occasionally ignite militaristic confrontations that naturally increase the likelihood of an open war. The perceived seamlessness of East Asian politics compels rival countries to espouse a hierarchic agenda in which the pursuit of military power dominates all other forms of interests.

On the other hand, the mutually assured destruction of invaluable interdependent linkages—economic, political and strategic—prevents the disputing states from engaging in zero-sum war games. The existing multiple channels of interdependence emphasizes the equal importance of non-military interests in the agenda and enables state actors to appreciate other methods to resolving conflicts aside from deployment of military force. The idea of mutual destruction makes militaristic approaches to maritime issues not only counter-intuitive but also counterproductive. Put differently, the monetary as well as non-monetary costs of war are so substantial that better ways of resolving disputes must be found. Although East Asian countries (particularly the more powerful ones) may think that open war can be justified, as a matter of practical utility, avoiding it is likely to be more effective in achieving the goals of a given conflict. In the midst of thick smoke and haze engulfing the East and South China Seas remains a silent hope among the surrounding states for flame not to ignite any time soon.

Notes

1. For more in-depth discussions on pragmatic pacifism, see for example, Benjamin (1973); Childress (1974); Hermann (1992); Addison (2004) and Cady (2010).
2. See, for example, Burchill (2005); Kiely (2007); Overbeek and van Apeldoorn (2012) and Durand (2014).
3. See, for example, Brown et al. (1995); Mearsheimer (1994); Donnelly (2005) and Glaser (2010).
4. See, for example, Bhagwati (2003, 2008); Horaguchi (2007) and Kawai and Wignaraja (2009, 2010).
5. Based on Asian Regional Integration Center (ARIC)'s tally. This FTA count includes FTAs under negotiation, signed but not yet in effect, and in force. Retrieved 15 November 2015, from https://aric.adb.org/blog/asias-free-trade-agreements-continue-to-make-progress
6. The IT share and IT intensity are the two most common measures being used to determine the extent of regional interdependence. Whereas IT share estimates the share of intraregional trade over total trade; IT intensity gauges the intensity with which a region trades with itself compared with its trade with the rest of the world. See, Capannelli et al., (2010, p. 130).
7. Buzan, Wæver and de Wilde (1998) define the term ‘referent’ as things that are seen to be existentially threatened and that have a legitimate claim to survival.
8. See, for example, Waltz (1979); Gilpin & Gilpin (1987); Alagappa (1998); Krasner (1999); Mearsheimer (2001) and Donnelly (2005).


10. See for example, Bhagwati (2003); Burchill (2005); Riezman (2013); Healey (2014) and Heywood (2014).

References


