

**China-U.S. Relations in the South China Sea Dispute: A
Strategic Hedging Perspective (2009-2017)**



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- The research work was prepared and the dissertation was completed under my direct supervision.
- The dissertation/thesis represents the original research work of the candidate;
- The contribution made to the research by me was consistent with normal supervisory practice.

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List of Abbreviations and Symbols

ANZUS	Australia, New Zealand, United States
APEC	Asia-Pacific Economic Cooperation
ARF	ASEAN Regional Forum
ASEAN	Association of Southeast Asian Nations
A2/AD	Anti-Access/ Anti Denial
BITACG	Bilateral Training and Consultative Group
BMD	Ballistic Missile Defense
CARAT	Cooperation Afloat Readiness and Training
CCP	Chinese Communist Party
CSSTA	Cross-Strait Service Trade Agreement
ECFA	Economic Cooperation and Framework Agreement
ECS	East China Sea
EDCA	Enhanced Defense Cooperation Agreement

EEZ	Exclusive Economic Zone
FDI	Foreign Direct Investment
FON	Freedom of Navigation
FTAAP	Free Trade Area of the Asia-Pacific
GDP	Gross Domestic Product
IMET	International Military Education Training
MDT	Mutual Defense Treaty
MoU	Memorandum of Understanding
PASSEX	Passing Exercise
PCA	Permanent Court of Arbitration
PLAN	People`s Liberation Army Navy
PPP	Purchasing Power Parity
RCEP	Regional Comprehensive Economic Partnership
ROC	Republic of China

SCS	South China Sea
SEA	Southeast Asia
SLOCs	Sea Lines of Communications
SPP	State Partnership Program
SYDP	Six-Year Development Program
TPP	Trans-Pacific Partnership
TRA	Taiwan Relation Act
UNCLOS	United Nations Convention on the Law of the Sea
U.N.	United Nations
U.S.	United States
US\$	United States Dollar

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Abstract

China-United States (U.S.) conflict of interests in the South China Sea (SCS) dispute has changed the trajectory of their bilateral relations in the region. The continuous intervention by the U.S. in the SCS dispute has resulted in the growing assertiveness of China in the region. Due to the existing strong economic interdependence between the U.S. and China, both countries are hedging each other to secure their interests and to avoid direct confrontation in the SCS. To find out the answers of the research questions, qualitative research methodology within post-positivist paradigm has been employed in this study. Historical, descriptive, and exploratory approaches have been used to understand the U.S. and the Chinese strategies against each other and their behaviors towards the claimant states. Strategic hedging theory is tested using the qualitative directed content analysis in this study. The continuous strategic hedging of the U.S. and China against each other in the SCS dispute is resulting in the status quo and the maintenance of peace in the region. Any change within this approach might result in conflict and could threaten the peace of the whole region.

Chapter 1

Introduction

The SCS disputes is continuously attracting the global attention due to a number of factors such as; the presence of huge hydrocarbon reserves, world`s largest fishing hubs, competing claims by six countries of the region, Chinese increasing assertiveness, the U.S. alliances with Philippines and Vietnam, Sea Lines of Communications (SLOCs) of 60 percent of the world`s total trade and ambiguous response of United Nation Convention on the Law of Sea (UNCLOS). The dispute in SCS is about the overlapping territorial claims between regional countries. The SCS dispute claimants countries are; China, Vietnam, Philippines, Taiwan, Malaysia and Brunei. The SCS dispute involves many countries that are regional and non-regional. Although the U.S. is not a claimant and resident state, but the U.S. particularly has primacy, security and economic interests in the SCS dispute. From decades, the U.S. led alliance system maintained stability in the Southeast Asia (SEA) region. This alliance came out after 1951 San Francisco Security Agreements between the U.S. and subsequent countries: Japan, South Korea, Australia, Philippines and New Zealand.