



## **In Search of an East Asian Way of Conflict Management: Three Regional Cases<sup>+</sup>**

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### **Abstract**

There have been three major and long-standing conflicts in East Asia: the Korean Peninsula, the Taiwan Strait and the South China Sea. Although these conflicts have yet to be settled, they have provided the parties to conflict with opportunities to learn how to manage the most protracted and intractable conflicts with as low costs as possible, precisely due to their exceptional longevity. Adopting the concepts of mediation regime and hybrid system, the paper examines how each of these conflicts has been managed. Among the findings are: contradictions involved in these conflicts have been handled in mediation regimes in such a way that they may not clash directly with each other; there are supplementary mechanisms to manage these contradictions, such as binding, balancing and regulating the behaviour of the parties to conflict and crisis management mechanisms; and economic measures and resultant economic interdependence are important ingredients of a mediation regime due to its role as an infrastructure for peace. The characteristics of managing these conflicts identified in the paper suggest an East Asian Way of conflict management.

**Keywords:** *conflict management, mediation regime, hybrid system, East Asian way*





***JEL Classification:*** F51, F55, F59, N45

## **1. Introduction**

The three long-standing conflicts in East Asia, i.e., the Korean Peninsula, the Taiwan Strait and the South China Sea (SCS), despite the fact that none of them have been fully settled, have produced multitudes of measures, practices, methods and approaches to peacefully manage conflict, thereby contributing to the “East Asian Peace” which, according to Stein Tønnesson,<sup>1</sup> has been in place in the region since 1979.

Among these management efforts are: shifting the arena of conflict from the physical battlefield to the political and international battlefield; mutually guaranteeing space and time in which parties to conflict can more or less freely pursue their own objectives and goals; creating and consolidating economic interdependence between the parties as an infrastructure for peace; allowing the original incompatibilities to transform into new ones that are more manageable or resolvable, to become irrelevant or to dissipate; developing mechanisms to manage crisis that may take place from time to time; forging common understanding and expectation towards each other’s behaviour; and economically and politically guaranteeing the survival of the parties that may collapse otherwise with undesirable consequences for security.<sup>2</sup> These management efforts and certain degrees of order in the conflicts as a result can profitably be captured from the standpoint of regional regimes for conflict management, which I would refer to as “mediation regimes”.

Two of the above-mentioned conflicts are the off-shoots of major wars, i.e., the Korean War (June 1950-June 1953) and the Chinese Civil War (March 1946-May 1950), which prompted the formation of the Northeast Asian theatre of the Cold War. On the other hand, the SCS conflict (1970s-present) involves the former parties to the Indochina Wars, which established the Southeast Asian “hot” theatre of the Cold War. These facts suggest the existence of structures of alliance, which are embedded to various degrees in East Asia and tend to maintain the



regional divisions.

For some time, these alliance structures were more or less submerged under the surface of the East Asian Peace. However, apparently, they have been given a new lease of life since the early 2010, especially since US Secretary of State Hilary Clinton declared in July 2010 in Hanoi that the United States had an interest in preserving free navigation in the SCS. Already, an incident and a development that had significant implications for peace and stability in East Asia had taken place earlier, i.e., the US announcement to sell its weapons to Taiwan (January 2010) and the Corvette Cheonan sinking incident between North and South Korea (March 2010).

More new developments followed in the wake of Clinton's statement, such as: a visit by the U.S. Seventh Fleet ships to Vietnam (August 2010); the Senkaku/Diaoyu Islands incident between Japan and China (September 2010); the Yeonpyong Island incident between North and South Korea (November 2010); stand-offs, protests and decisions in/over the South China Sea between China and Vietnam and between China and the Philippines (mid-2010 - present); and enlarged and new US-led joint military exercises and US military manoeuvres in the West Pacific including the East China Sea and the SCS (mid-2010 - present) and the latest Japan-China flare-up over the Senkakus/Diaoyus (September 2012 - present).

These incidents and developments, all involving the US to varying extents, seem to reflect US President Obama's American "Pivot towards Asia", which was announced in his Canberra speech in November 2011, and may be construed as American moves to drive a wedge among East Asian countries with its own traditional foreign policy approach, i.e., alliance against adversaries and to encircle a rising China.

Several questions are due in this context: How have the mediation regimes for the three long-standing conflicts been developed vis-à-vis the Cold War-based alliances in East Asia? How have the regimes been functioning in managing these conflicts? What are the impacts, if any, of the American Pivot towards Asia that implies re-emerging alliances in East Asia on the existing mediation regimes? How are these regimes responding to the US new moves? Concerning one of mediation



regime's functions, i.e., to absorb contradictions and incompatibilities, including external impacts, as will be discussed later in this paper, can these three specific regimes absorb the impacts of the US intervention into the region?

In the following sections, the paper first set up a theoretical framework for the analysis of mechanisms of conflict management included in these mediation regimes. Theories of conflict management and international/regional regime will be adopted for this purpose. The paper then applies the framework to each of the three conflicts to understand how these regimes have managed them. Lastly, the paper looks at how these regimes cope with the US new moves in East Asia, which appear to reflect the re-activation or new formulation of US alliance systems.

## **2. Theoretical Framework: Mediation Regime and Hybrid System**

Building on the general concept of international regime, this section introduces the idea of a “mediation regime” vis-à-vis that of alliance, and sets up a simple model of the two-way transition between an alliance system and a mediation regime system, which is referred to as a hybrid system.

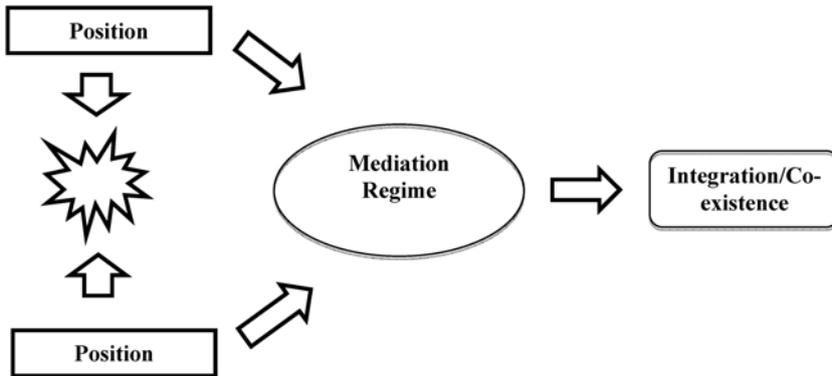
### **2.1. International Regime**

According to Krasner, an international regime can be defined as a set of “principles, norms, rules and decision-making procedures around which actor expectations converge in a given issue-area”.<sup>3</sup> As is implied in this definition, actors, state or non-state, are also essential components of a regime. Its general functions are predictability of the conduct of actors and the resulting reduction of transaction costs, generated by the convergence of “actor expectations”.

A constructivist view on a regime emphasizes its regulative and constitutive dimensions, as Hasenclever, Mayer and Rittberger put it, “on the one hand, they [regimes] operate as imperatives requiring states to behave in accordance with certain principles, norms, and rules; on the other hand, they help create a common social world by fixing the



**Figure 1** The Basic Function of a Mediation Regime



meaning of behavior.”<sup>4</sup> Thus, a regime can help actors forge “principled and shared understandings of desirable and acceptable forms of social behavior”<sup>5</sup> in a given regional context. On the other hand, its constitutive dimension may also help actors reach a shared understanding or definition of the issues themselves, which may have in the beginning been of a contentious nature or plagued with disagreements among actors over their nature.

## 2.2. Mediation Regime

The concept of a mediation regime can be established by investing an international regime as defined above with more specific functions of conflict management and mediation. Its basic function is to reconcile between contradicting or incompatible positions for integration or co-existence<sup>6</sup>, as is shown in Figure 1.

The integration or co-existence is expected to take place inside the regime. Therefore, the regime may run the risk of its own breakup by absorbing into itself contradictions that exist between the parties. Assuming that a mediation regime has been in place for each of the three long-standing conflicts in East Asia, this paper is interested in how the incompatibilities of these conflicts have been handled towards



integration or co-existence.

In actual conflict situation, it cannot be expected that the integration or co-existence process proceeds smoothly or in a straightforward manner. It is normal that measures are taken haphazardly with sometimes unexpected results. Therefore, the process has ups and downs, going forward and backward, and crises may happen from time to time. For these reasons, a mediation regime needs to possess additional qualities of conflict management.

Firstly, it is necessary to prevent contradictions from prompting the parties to use force in order to achieve their own goals at the cost of others. Regulative qualities of a regime may successfully control the behaviour of the parties by such mechanisms as “institutional binding” and “institutional balancing”.<sup>7</sup> In the former, the principles, norms, and rules of a regime may internally bind the parties so that they may not resort to coercive or unilateral actions. The same results may be expected from the latter approach by exploiting the fear of the actors that they may be left out of important interactions or transactions in multilateral settings as a consequence of their own deviant actions. In both approaches, “saving face” can be a powerful element to regulate the behaviour of Asian actors with its accompanying notion of appropriate conduct in particular circumstances.

Secondly, incompatibilities may be able to be transformed into the ones in which altered positions of the parties to conflict are more amenable to integration or co-existence. Even if the original incompatible positions cannot directly be reconciled to each other, their nature or identity may be changed in ways that allow mitigation. Constitutive qualities of a regime may help such transformation by bringing about a change among the parties in the way they define or frame the contradictions that they possess between themselves. Or the contradictions may be mitigated or even cease to be when there are major changes in the parties, such as the leadership change. Such changes may take place within the boundaries of a mediation regime, which may be able to claim a part in the results.

Thirdly, economic measures may be used as powerful components of a mediation regime if the actors in the regime can command sufficient





economic resources. Economic development stabilize the state parties by turning a “poverty-conflict” vicious circle into a “prosperity-peace” virtuous circle within itself and, thereby, enhancing the legitimacy of the incumbent government, i.e., improving regime security.<sup>8</sup> Moreover, when the state parties initiate and deepen economic interdependence, it can function as an infrastructure for peace by: working as confidence-building measures between the parties by means of intensive interactions over economic projects; raising the costs of hostile actions like military operations and thereby exerting powerful influence on the parties for self-restraint; and turning the original incompatibilities of whatever nature less important or even irrelevant in comparison with shared stakes that have newly developed or are developing between the parties.

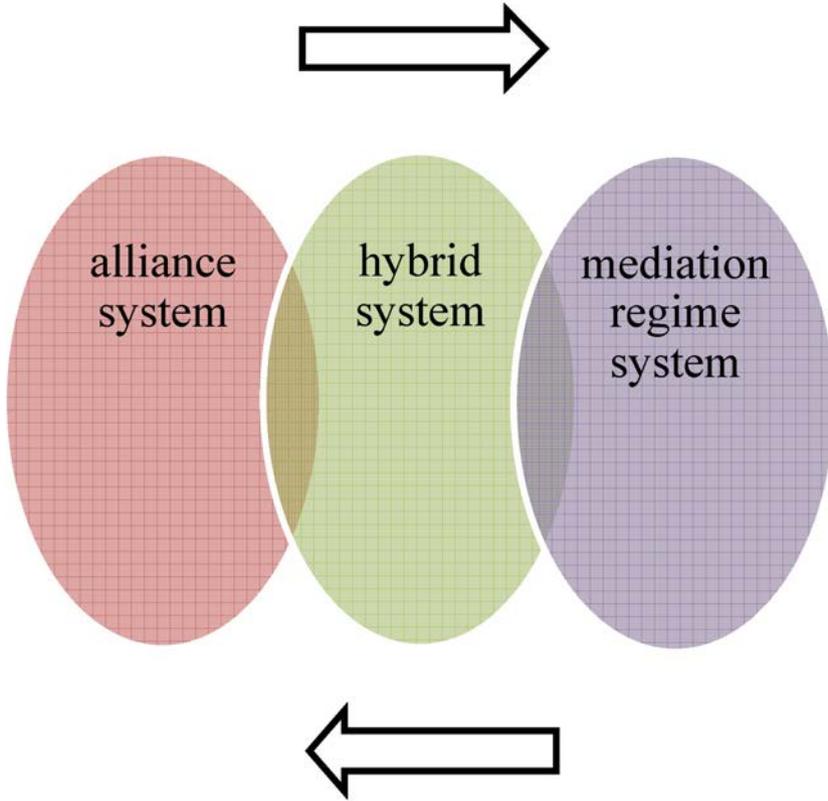
Lastly, the regime should have a strong crisis management capability. As long as irreconcilable contradictions exist, there is always the possibility that a crisis breaks out despite various mitigating functions of a mediation regime discussed above. The process of the reconciliation, integration or co-existence of contradicting positions is long, and so a mediation regime should be equipped with effective crisis management tools. Obviously, the installation of hotlines between top leaders, civilian or military, is among them. Besides, in a crisis, a mediation regime may fully mobilize its resources, such as emergency meetings, shuttle diplomacy and every means of exerting pressure on the parties concerned, including institutional balancing, so that the crisis may not be escalated into more serious levels, but put under control. Even military deterrence by third party states may be considered as among the options.

### ***2.3. Mediation Regime and Alliance***

The success in peacefully managing the three long-standing conflicts in East Asia suggests the existence of mediation regimes behind them. As was discussed briefly in Introduction, two of the conflicts have stemmed from the Cold War confrontation, which inevitably involves alliances, and the third conflict, i.e., the South China Sea conflict, includes state parties some of which used to be on different camps of the Cold War confrontation in Southeast Asia. Since the US seems poised to



**Figure 2** The Alliance System, Mediation Regime System and Hybrid System



resuscitate its alliance-based regional policy in East Asia, it is important to come up with a framework to understand the relationship between alliance and mediation regime and a two-way transition between the two schemes. To capture these issues, this paper sets up a simple model of the alliance complex, mediation regime complex and hybrid complex, as is shown in Figure 2.

The three systems are considered as part of “security complex” in which security interactions take place among actors.<sup>9</sup> The model



assumes the prior existence of at least either alliance system or mediation regime system. One system may change into another system, and a transition form is referred to as hybrid system due to the fact that elements of both systems are present in it.

Several ways of one system changing into the other are possible: An expanding mediation regime system may take in contractions that an alliance system may include, hereby gradually dissolving and absorbing the latter. On the other hand, a newly initiated alliance system may create divisions within a mediation regime system, thereby turning the latter into opposing blocs. In both cases, a system works on the other system externally, but it is also possible that a system internally brings about its own change. Wallander and Keohane discuss the possibility of the North Atlantic Treaty Organisation (NATO) transforming itself from an alliance to a “security management institution”, which largely corresponds to a mediation regime of this paper. According to them, this transformation is possible in the post-Cold War era in which alliances against any obvious adversaries are increasingly irrelevant.<sup>10</sup>

### **3. Three Regional Cases**

This section applies the theoretical framework established in the previous section to each of the three long-standing conflicts in East Asia: the Korean Peninsula, the Taiwan Strait and the South China Sea and aims to understand the way in which a mediation regime works in each case. This is performed with the following questions in mind:

- What were the original incompatibilities involved in the conflict and how have they been managed?
- How has a mediation regime been forged?
- What are the characteristics of the mediation regime?
- What has been the relationship between the regime and the alliance, especially since 2010, in which the American pivot towards Asia began?





### **3.1. The Korean Peninsula**

Differences in the organizing ideology of the state, i.e., the ones between the capitalist system and the communist system, represented the original incompatibilities in this conflict. A major war in which both sides attempted to forcefully impose their own political and economic systems on the other was not able to settle these incompatibilities. While military stand-off continued after the war, actors involved such as the US, China, the Soviet Union and the United Nations in addition to the two Koreas allowed spaces to be created in which the primary parties to conflict, i.e., the Democratic People's Republic of Korea (DPRK: North Korea) and the Republic of Korea (ROK: South Korea) could more or less freely pursue each other's ideals. There were several attempts to unify the divided peninsula by force, hereby aiming to settle the contradictions once and for all. However, these moves were restrained by each other's allies and the military deterrence that both blocs posed to each other.<sup>11</sup>

Since the early 1990s, which corresponds to the post-Cold War era, the original incompatibilities on the Korean peninsula have ceased to exist with the demise of communism as a viable organizing ideology of a state. There is no longer the issue as to which of the rival political systems can unify the divided peninsula, by force if necessary. The current issue is how the peninsula and the region can cope with instability emanating from the unstable regime of North Korea, which has suffered from a series of serious economic and humanitarian crises, due to the end of economic and food aid in the late 1980s from the Soviet Union, which collapsed soon after, and floods and droughts in the early 1990s. Many cases of so-called "nuclear brinkmanship" and "crisis diplomacy" by the North, such as the IAEA saga, nuclear tests and missile/satellite launches, may be understood in terms of the regime's struggle for survival.<sup>12</sup>

The mediation regime on the Korean Peninsula currently in place has developed as each political or military crisis unfolded, starting from the early 1990s. A major crisis in May 1994, which went to the brink of a second Korean War, resulted in the Geneva Agreed Framework, involving both Koreas, the US, Japan and the EU and initiating the "KEDO process". The North Korea's withdrawal from the NPT in April





2003 precipitated the US-China-North Korea Trilateral Talks, which have expanded into the Six-Party Talks (SPTs), the main avenue to discuss North Korea's denuclearization, which inevitably include other issues on the Korean Peninsula. Among other mechanisms within the mediation regime are: the US-North Korea High-Level Talks, the Inter-Korean Dialogue and the Japan-North Korea Dialogue. These mechanisms, involving not only state actors but also non-state ones, such as former US presidents Carter and Clinton, the Red Cross and other relief NGOs and UN agencies, and generating various agreements, principles and rules, appear to function as instruments of institutional binding and institutional balancing for North Korea.<sup>13</sup>

In this mediation regime, China is increasingly playing a leading role. For a long time, China has maintained a strong influence over North Korea due to their "blood alliance" in the Korean War. During the Cold War period, Beijing on many occasions restrained Pyongyang from its adventurism towards the South. Since the US-China rapprochement in the early 1970s, China has been in a good position to bridge between North Korea and the US. It is therefore quite natural for China to play the host to the SPTs. While this process has been stalled since April 2009 in the wake of North's another "satellite" launch and nuclear test, China appears to be providing North Korea with a guarantee for the survival of the Kim regime, backed up with the former's own economic development model, which has increasingly been applied on its periphery across national borders, including the China-DPRK ones.<sup>14</sup> As a result, several joint projects are in progress, including development projects spanning two border cities of Dandong on the Chinese side and Sinuiju on the North Korean one and a trilateral master plan for development in the Kwanbuk region where North Korea, China and Russia meet in the Tumen River Delta, facing the Japan/East Sea.<sup>15</sup> These projects can be expected to create an infrastructure for peace, as was discussed in the previous section.

It can be observed that on the Korean Peninsula, the original alliance system has gradually been changed into a mediation regime system. The former contributed to the stability on the peninsula with its deterrence and balance of power. This was especially the case because





the great power rivals in the Cold War came to regard the maintenance of stability on the peninsula as beneficial to their own interests, hereby generating a strong motivation among themselves to control the behaviour of the two Koreas under their own influence respectively. Perhaps, the US-China rapprochement in the early 1970s marked the start of the transition from the alliance system to the mediation regime system, as several conferences and meetings involving these great powers and the two Koreas began to be held from this period onwards.<sup>16</sup> This transition was completed with the end of the Cold War, and this change has strongly affected the nature of the Korean Peninsula conflict. For quite some time, within the established mediation regime, stakeholders have been working toward the stabilization of the peninsula by influencing North Korea, using various means available, although some quarters point out the lack of mutual trust among the actors, especially between North Korea and its Western partners.<sup>17</sup>

However, the Corvette Cheonan incident and the Yeonpyeong Island incident, both having occurred in 2010, may mark a change in the mediation regime. Taking into account the ways in which they have been handled by South Korea and the US and their countermeasures in the aftermath, including joint-military exercises in the Yellow Sea, these new developments may be construed as aiming at China as US' real target, reflecting its new policy of "Pivot towards Asia". The stalled SPTs process poses another concern for the future of the mediation regime on the peninsula,<sup>18</sup> as the US and its traditional allies, South Korea and Japan may lose interest in the China-led process or may turn it into a venue of confrontation between the opposing camps that may re-emerge. In such cases, China and the US may end up competing with each other over the influence on North Korea.

### ***3.2. The Taiwan Strait***

The conflict across the Taiwan Strait is an extension of the Chinese Civil War between the Nationalist Party or Kuomintang (KMT) and the Communist Party of China (CPC) (March 1946-May 1950). After suffering a military defeat at the hand of the CPC on the mainland, the KMT fled to Taiwan in order to recover its strength and prepare for





counteroffensive. Henceforth, Taipei on Taiwan became supposedly the temporary seat of the KMT-led government of the Republic of China (ROC), while Beijing, the seat of the CPC-led government of the People's Republic of China (PRC) that was proclaimed in October 1949. The two governments claimed that they represented the whole of China and its people exclusively, denouncing each other as an illegitimate regime, and this constituted the original incompatibility of this conflict, which was made more striking by the involvement of rival political and economic ideologies of communism and capitalism.<sup>19</sup>

Immediately after the Chinese Civil War, the KMT might have been eliminated on the soil of Taiwan by CPC's People's Liberation Army that would have pursued the fleeing KMT army to the island, but for the powerful military deterrence provided by the US. The US played a decisive role also in the First and Second Taiwan Strait crisis (1954-1955 and 1958) by threatening to use tactical nuclear weapons against mainland China and sending its formidable fleet in defence of Taiwan. While deterring communist attacks, the US also restrained the KMT from launching counteroffensive against the mainland, especially during the period when CPC's Great Leap Forward campaign (1958-1961) plunged the mainland into turmoil and chaos. China was also restrained from invading Taiwan by its early ally of the Cold War, the Soviet Union, which wanted to maintain the status quo across the Taiwan Strait in its regional power balance with the US.<sup>20</sup>

Starting from the late 1960s, the cross-strait relations shifted gradually from military hostility to peaceful stand-off, in which Beijing and Taipei engaged in a peaceful competition with each other. This was a competition to create a better society in the area under each other's control and to get international recognition as the government representing China. The former involved enhancing each government's legitimacy among the people it ruled through, among others, reducing poverty and improving the living standard of the people. The latter included getting or maintaining the UN seat, winning support of overseas Chinese and forming diplomatic ties with other countries, especially developing nations. While Beijing was more successful than its rival in the international front, Taipei led the competition over





creating a better society until Beijing adopted the “Reform and Open Door” policy towards the end of the 1970s. These efforts of both governments are significant in terms of conflict management, as they successfully shifted the arena of their conflict from physical battlefields to social, economic, political and diplomatic fields, while its incompatibilities remained.<sup>21</sup>

The mainland’s Reform and Open Door policy contributed to changing the structure of the conflict. Firstly, by recognizing the failure of the communist production system that Beijing had adopted since the foundation of the PRC and accepting capitalism, the policy eliminated one of the incompatibilities of the conflict, i.e., that of economic system. Secondly, it opened up the way for economic interdependence across the Taiwan Strait, which was to work as an infrastructure for peace in this conflict<sup>22</sup>, an important component of a mediation regime.

Another ingredient of a mediation regime has also been in place gradually since this period, i.e., ideas on the ways to achieve peaceful reunification of China and Taiwan and interpretations of and future visions for cross-strait relations. In 1979, the PRC publicly abandoned the forceful re-integration of Taiwan but still kept open the military options on certain contingencies. This sent a message to Taipei as to what kinds of its behaviour were acceptable to Beijing, hereby kick-starting *de facto* negotiations over the rules and principles to regulate the behaviour of actors in a regime. The announcement of formulas and principles, such as “One China”, “One China, One Taiwan”, “One Country, Two Systems”, “One Country, Two Governments”, “One Country, One System”, “Special State to State Relations” and “Nine Principles Concerning Taiwan’s Return to the Motherland” can be seen in the same light, although some of them caused furores or protests on either side. The rule/principle-making efforts have been accelerated since the foundation of two semi-official organs, the Straits Exchange Foundation (SEF, set up by ROC) and the Association for Relations Across the Taiwan Straits (ARATS, by PRC). Both bodies have handled technical and business matters on cross-straits issues, and contributed to new policies.<sup>23</sup>



The original fundamental incompatibility of the conflict disappeared when the ROC abandoned its long-held policy of recovering the mainland towards the end of the 1980s. However, a new formidable incompatibility was already emerging at the same time, which was the one over the ethnic nationalism of the Taiwanese people. Decades of the “Taiwan Experience” have developed a new Taiwanese identity that is distinct from the pan-Chinese one, which if not checked, poses a serious threat to China’s national unity and territorial integrity. Under pro-independence Presidents Lee Teng-hui and Chen Shui-bian, Taiwan-mainland relations deteriorated with new moves on the Taiwan side that were construed as steps towards *de jure* independence, culminating in the Third Taiwan Straits Crisis (1996), which was contained by the US dispatching two aircraft carriers to the strait.<sup>24</sup> Since the inauguration of pro-PRC Ma Ying-jeou as Taiwan’s President in May 2008, cross-strait relations have recovered quickly. New measures and developments, such as senior official visits, direct flights across the strait, expanded cooperation in food safety and law enforcement and further promotion of economic, social and cultural exchanges, have been enhancing the integration between the mainland and Taiwan.<sup>25</sup> Given that Ma secured a second term in office in the January 2012 presidential election, the current positive trend is expected to remain unchanged for the foreseeable future.

It can be observed that like in the Korean Peninsula conflict, the original alliance system has over the time transformed into a mediation regime system in the Taiwan Strait conflict. In the conflict’s early period, military deterrence provided by the US played a decisive role in its management. The deterrence was supplemented by restraining influence on both parties from their allies, i.e., the US and the Soviet Union, respectively. As a result, spaces were created in which Taiwan and the mainland were able to pursue their own goals and objectives rather freely, and they managed to shift the arena of their competition to political, economic, social and diplomatic fields. These can be credited to the alliance system of the Cold War period.

An early sign of a mediation regime can be identified in the Shanghai Communiqué jointly issued by the US and the PRC in



February 1972<sup>26</sup>, which laid out, among others, the basic principles to address the Taiwan problem. China's Reform and Open Door policy increased the elements of the mediation regime, which in its current form consists of (1) mainland China, Taiwan and the US as main actors; (2) principles, rules and, perhaps, less tangible values, manners, norms, feelings, and rapports shared between mainlanders and Taiwanese; and (3) economic interdependence as a structure for peace. Some of the remaining tasks for the consolidation of the mediation regime would be confidence-building between the military forces on both sides and the initiation of official political talks between Beijing and Taipei.<sup>27</sup>

Despite shortcomings hinted as above, the Taiwan Strait mediation regime appears to be absorbing contradictions, tensions and occasional shocks arising from the Taiwanese ethnic nationalism. The US "Pivot towards Asia" may be aiming to drive a wedge into this mediation regime, as may be hinted by the US announcement to sell 6.3 billion dollars in weapons to Taiwan immediately after Beijing and Taipei began the negotiation to sign the Economic Cooperation and Framework Agreement (ECFA), which would further advance the economic integration across the strait.<sup>28</sup> However, the two sides across the strait seem to be integrated together especially in economic terms, with the mediation regime firmly embedded so much so that it may be able to resist any dividing force.

### **3.3. The South China Sea**

Unlike the other two conflicts discussed above, the South China Sea (SCS) conflict is not directly a result of a previous war nor directly related to the Cold War confrontation, although some of the parties to the SCS conflict were formerly involved in the confrontation. As such, the transition from an alliance system to a mediation system cannot be observed in the process of managing this conflict. It is basically the one between Vietnam, the Philippines, Brunei and Malaysia, all of them being the member states of the Association of Southeast Asian Nation (ASEAN) on the one hand, and China (PRC), on the other.<sup>29</sup> It is true that those ASEAN members contend with each other as well in this conflict. However, since China established its formidable presence in the





Spratly Islands in the SCS after a naval battle with Vietnam in March 1988, China and its behaviour in the SCS have been the main issue in the management of this conflict.<sup>30</sup> For this reason, it is profitable to look at various types of measures that have been taken concerning the SCS conflict since the late 1980s as a collective effort to create a mediation regime, with China being its main target.

There are three issues in the SCS conflict: (1) sovereignty, (2) exploiting fishery and hydrocarbon resources and (3) free navigation, each of which has generated different sets of incompatibilities.<sup>31</sup> Most of those in the second and third category, such as some claimant states not recognizing free navigation in areas under their (self-proclaimed) jurisdiction, disputes involving fishing boats and patrol ships and disputes arising from exploiting undersea resources, are relatively easy to settle with mutually agreed measures. On the other hand, incompatibilities over the first category are quite difficult to settle, as the sovereignty issue may evoke strong nationalistic sentiments among the people in the countries concerned and may negatively affect negotiation process. Therefore, the basic tendency to address these incompatibilities has been to focus on developing cooperation schemes for the exploitation of fishery and hydrocarbon resources and to leave the sovereignty issue to bilateral negotiations or set it aside for the time being. Equally important are efforts to regulate the behaviour of the parties to conflict so that these incompatibilities may not raise tension by their behaviour.

Several processes to manage the SCS conflict can be identified: Firstly, Track Two Workshop series has been conducted since 1990 until now under the auspices of Indonesia. Titled “Managing Potential Conflicts in the South China Sea”, mostly senior officials from the state parties to conflict and relevant countries participated in this process as “private persons”. Free from restrictions of official meetings, the process has allowed the participants to freely discuss relevant issues and successfully roped in China that was quite reluctant to be involved in a multilateral process in the earlier period. Although it has not been considered appropriate for the meeting series to discuss the sovereignty issue, the workshops have come up with a number of ideas and plans for



joint development. Secondly, Track One Bilateral Dialogues have been carried out between Vietnam, the Philippines and Malaysia on the one hand and China on the other on a bilateral basis. These negotiations have been dealing with the bilateral sovereignty issue. While it is quite difficult to settle it, the process has at least produced the principles and rules for the settlement, and has functioned as a confidence-building mechanism between the parties.<sup>32</sup>

Thirdly, as a natural extension of increasing economic, trade, scientific and technological, and then, political and security exchanges since the early 1990s, the Track One Multilateral Process on the SCS has been on-going. Starting with the ASEAN Ministerial Meeting (AMM) in Kuala Lumpur in 1991, this process has been sustained by various meetings within the fold of ASEAN, such as the ASEAN Regional Forum (ARF: since 1994), the ASEAN-China Senior Officials' Meetings (ASEAN-China SOMs: since 1995), the ASEAN Summit (AS: since 1996), the ASEAN Plus One Meeting (APO: since 1997), the ASEAN-China Senior Officials' Consultation (ASEAN-China SOC: since 2000) and the ASEAN Defence Ministers' Meeting-Plus (ADMM-Plus: since 2010). In the beginning, China resisted the SCS issues from being raised in these venues, but has since been slowly opening up to the idea of multilateral discussions on the issues. Especially, the ASEAN-China SOMs, the APO and the ASEAN-China SOC seem to be the choice mechanisms of China that feels it more comfortable to discuss the SCS issues with ASEAN members without the presence of external actors.<sup>33</sup>

From these processes, documents such as a "Joint Statement for ASEAN-China Cooperation Towards the Twenty-first Century" (1997) and a "Declaration on the Conduct of Parties in the South China Sea" (DOC: 2002) were signed by both China and ASEAN countries, and China signed the "Treaty of Amity and Cooperation in Southeast Asia" (TAC: signed by ASEAN members in 1976 and by China in 2003). These documents promulgate principles, rules, norms and values, which are expected to bind the signatories in their conduct towards each other, especially in the SCS. Interestingly, ASEAN has already established the "ASEAN Way of Conflict Management" (AWCM),<sup>34</sup> and its norms, values and principles, such as consultation, consensus, respect for



diversity and non-use of force in settling inter-state conflict, bind the member states of ASEAN. In this respect, the SCS mediation regime can be considered as the expansion of the AWCM to the SCS, with a view to incorporating China into this regime, to which China also contributes with its normative and cultural resources and particular approaches. One of such approaches is using economic interdependence as a structure for peace, as China is replacing Japan as ASEAN's top partner in trade, investment and aid.

Since 2010, however, when US Secretary of State Hilary Clinton stated during an ARF meeting in Vietnam that the United States had an interest in preserving free navigation in the SCS, the mediation regime over this sea has been facing a challenge from the American "Pivot towards Asia", struggling to absorb shocks and impacts of the US new policy. The current confrontational stance of the Philippines and, to a lesser degree, Vietnam against China on the SCS may be understood in terms of the US effort to generate or resuscitate elements of alliance in Southeast Asia, which appear to be increasingly reflected in the expanding annual US-led joint military exercises, such as the Cobra Gold in Thailand and the Balikatan in the Philippines,<sup>35</sup> more frequent US port calls to regional allies and friends, and Singapore's decision to host US Navy littoral combat ships.<sup>36</sup> What is being witnessed in this part of the world may be the transition from a mediation regime system to an alliance system. The failure of ASEAN to issue a joint communiqué at the end of its Summit meeting in Phnom Penh in July 2012 is symbolic.<sup>37</sup> This unprecedented event may represent a mediation regime that is on the verge of breakup or one that is struggling to absorb and accommodate a shock emanating from the US – a function of a mediation regime.

### ***3.4. Comparative Discussion***

This paper has looked at how each of the three long-standing conflicts in East Asia has been managed by mediation regime and alliance. This section compares the findings of the three cases. As for the way in which incompatibilities are managed, in the Korean Peninsula conflict (KPC) and the Taiwan Strait conflict (TSC), the original and fundamental





incompatibility was maintained for quite some time before it disappeared (KPC) or transformed (TSC), while in the South China Sea conflict (SCSC), it has persisted until now. The fundamental incompatibility was largely managed by deterrence generated from an alliance system in the KPC, first by deterrence but increasingly by self-restraint generated from a mediation regime system in the TSC and, to a large degree, by self-restraint in the SCSC. These different ways may be understood by taking into account the Cold War, changes in US-China relations and the regional presence of the US.

An interesting feature in the KPC is that although the original fundamental incompatibility has disappeared and any new fundamental incompatibility has yet to emerge, actors, especially the DPRK, the ROK (under the Lee Myung-Bak government) and the US, still behave like alliance actors (AAs). On the other hand, in the TSC, all actors, i.e., the PRC, the ROK and the US, largely conduct themselves as mediation regime actors (MRAs) at least for now. In this conflict, the new fundamental incompatibility is the one arising from Taiwan's ethnic nationalism, which however seems to be put under control effectively by a mediation regime system. In the SCSC, China has been, to a considerable degree, socialized in the ASEAN Way of conflict management, and so all actors more or less conduct themselves as MRAs, except for the US who apparently behaves as an AA and seemingly aims to nudge some ASEAN actors to behave in the same way. Actually, changes in the role of the US in each conflict are telling: In the KPC, it changed from an AA to an MRA and currently may be poised to be an AA again. In the TSC, it changed from an AA to an MRA, and currently seems to remain so. In the SCSC, the US was absent as an actor in the beginning, but is currently poised to be an AA as a new comer.<sup>38</sup>

Whether in an alliance system or a mediation regime system, the fundamental incompatibilities have been managed well in all three cases. In the former system, deterrence created spaces for the parties to conflict in which they were able to pursue their own goals or ideals. They were also restrained externally by influential allies who wanted to maintain the balance of power in the region. The latter system, on the other hand,





has absorbed the fundamental incompatibilities into itself. Although integration between contradicting positions does not take place easily, as the three cases testify, the mediation regime seems to function as a cushion for contradiction so that conflicting positions may not clash directly with each other. This appears to be made possible by setting aside contradictions as if they did not exist or by playing them down as if they were not significant. East Asia's idea of social harmony and its non-confrontational values and norms may be playing a role in such schemes. When arrangements are made so that the contradicting positions may not directly clash with each other, the time is generated in which the contradictions either disappear, are made irrelevant or transform into the ones which may be more amenable to integration or co-existence.

The three cases show the important role of economic measures, especially economic interdependence as an infrastructure for peace, which is a powerful ingredient of a mediation regime. In the KPC, the PRC appears to be determined to ensure the survival of the Kim regime of the North by encouraging the latter's economic development according to the China model and by implementing cross-border joint development projects. Even if other elements of the Korean Peninsula mediation regime, such as norms, principles and rules that numerous agreements and exchanges have produced, cease to be effective, the economic elements provided by China may sustain the mediation regime. This is clearly the case in the TSC, where Taiwan is increasingly part of southern China's regional economic system, which effectively regulates the behaviour of Taiwan as well as mainland China. On the other hand, Southeast Asian countries, including the parties to the SCSC, have tremendously been benefitted from the economic facilities that China has provided for them. The deepening economic interdependence between ASEAN and China appears to control the behaviour of these parties for the maintenance of peace in the SCS.

Alliance systems have played a significant role in the crisis management of the KPC and the TSC with deployment of military deterrence. The US military force may still help in controlling the behaviour of the DPRK as a last resort. It was also effective during the





1996 Third Taiwan Strait crisis in an era when the Taiwan Strait mediation regime was already in place to a considerable degree. On the other hand, hotlines exist in both the KPC and the TSC. In addition to the existing Red Cross direct communication line at the border village of Panmunjom,<sup>39</sup> it has been agreed that a hotline connecting military chiefs of China and South Korea be installed.<sup>40</sup> Across the Taiwan Strait, there is a hotline between PRC's Association for Relations Across the Taiwan Straits and Taiwan's Straits Exchange Foundation.<sup>41</sup> It is expected that such hotlines enhance the crisis management mechanisms within the two mediation regimes. On the other hand, in the SCSC, there are already several mechanisms for crisis management, such as "Code for Unalerted Encounters at Sea" (CUES) and political and military hotlines among the actors.<sup>42</sup> However, in view of current disputes over the sea and rising tension, it is vital to install a more comprehensive system of crisis management to the SCS mediation regime.

#### 4. Conclusion

This paper looked at the management of the three long-standing conflicts in East Asia, using the theoretical lens of mediation regime and hybrid system. Several ways for a mediation regime to absorb or accommodate to contradictions of conflict for eventual integration or co-existence of incompatible positions have been identified. These results cannot be achieved easily, and so the mechanisms to prevent the contracting positions from directly clashing with each other are important. Focusing on actors, a mediation regime is expected to regulate their behaviour so that they may not act in mutually damaging manners. In this respect, a mediation regime provides norms, values and rules, which are expected to bind and control these actors. The notion of "appropriate conduct in a particular situation", the idea influential among Asian actors in particular, may account for their effectiveness.

It seems that a mediation regime can co-exist with an alliance and that they can jointly contribute to conflict management, although relations between them are not static but dynamic: it may be difficult to maintain the status quo in the relations. The two-way transition between





a mediation regime system and an alliance system and the concept of a hybrid system in perpetual transition phases may capture the basic nature of managing the three long-standing conflicts, which appear to emanate an East Asian Way of conflict management.

## Notes

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- regimes*, Ithaca: Cornell University Press, 1983, p. 1.
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  5. Friedrich V. Kratochwil and John Gerard Ruggie, "International organization: A state of the art on an art of the state", *International Organization*, Vol. 40, No. 4 (1986), p. 764.
  6. Integration and co-existence represent two ways to peacefully address incompatibility between the positions that the parties to conflict take. In integration, incompatibility disappears when either or both of the parties change their positions into the ones that do not contradict with each other. This change is carried out in such a way that both parties' underlying interests are satisfied through this adjustment. This approach has been developed mostly at Western research centres, represented, among others, by John Burton, *Conflict: Resolution and prevention*, London: Macmillan, 1990. In co-existence, on the other hand, there is still incompatibility due to the presence of contradicting positions. However, they are managed in such a way that they can co-exist with each other and do not cause a crisis between the parties, like solder joining pieces of metal together. It would be an interesting research agenda to investigate how this co-existence is achieved in different cases, as such an endeavour would reflect a new approach to incompatibility management, having been insufficiently investigated so far.
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  11. Bercovitch and Oishi, *op. cit.*, pp. 47-51.
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