THE PARACELS:  
THE "OTHER" SOUTH CHINA SEA DISPUTE

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The Spratlys is not the only disputed group of reefs and islands in the South China Sea. The Paracel Islands, Scarborough Shoal, and Pratas Reef and Island are also disputed. This article reviews the contemporary history of the Paracels dispute, estimates of their economic and strategic importance, the role of the Paracels dispute in Sino-Vietnamese relations, and the relationship of the dispute to other sovereignty disputes and maritime delimitation in the South China Sea. The conclusion reviews the interconnected nature of the Spratly and Paracels maritime disputes in the context of China-ASEAN relations and poses scenarios for future conflict resolution strategies. The argument here is that a multilateral solution to the dispute over maritime delimitation in the Spratlys area and the central part of the South China Sea will require a bilateral solution of the bilateral dispute over sovereignty concerning the Paracels. Sino-Vietnamese talks concerning the Paracels could play a constructive role in paving the way for a more comprehensive solution of sovereignty disputes, and thus play a major role in further improving overall relations between China and ASEAN.

Key words: Paracel Islands, Sino-Vietnamese relations, China-ASEAN relations, maritime disputes
Introduction

In November 1999, the member states of the Association of Southeast Asian Nations (ASEAN) agreed on a draft code of conduct for disputed areas in the South China Sea, to be negotiated with China. Although China accepted the invitation to negotiate, and quickly came up with a counter-proposal, it took three years before the parties were ready to sign a “Declaration on the Conduct of Parties in the South China Sea” at the ASEAN summit in Phnom Penh on November 4, 2002. ASEAN’s main purpose in proposing the code of conduct was conflict prevention—that all states should agree to abstain from resorting to violence, and also from occupying additional rocks or reefs. Why did it take so long to agree on the text? One reason was disagreement on whether or not it should be a legally binding agreement or just a political declaration. Another was disagreement on how to define the geographic area concerned. In the first draft from the Philippines, the term “the disputed area” was used. Most observers understood this to mean the vast Spratly area in the southern part of the South China Sea, where Brunei, the People’s Republic of China (PRC), Taiwan, Malaysia, the Philippines, and Vietnam claim sovereignty to all or some of multiple scattered islands, rocks, and reefs. Vietnam, however, challenged this interpretation, and insisted that the Paracel Island group, situated at the other side of the main shipping route running diagonally through the South China Sea, should also be included. Although the other ASEAN states had no particular interest in the Paracels, since these are disputed only between Vietnam and China, they accepted the Vietnamese view and included the Paracels in the proposal presented to the PRC. China predictably refused to accept any mention of the Paracels, and preferred not to mention any “disputed area” at all since this could be seen as recognition of other countries’ claims.

In the summer of 2002, the ASEAN states accepted China’s view. The text of the declaration merely says that the parties reaffirm their respect for and commitment to freedom of navigation in and over flight “above the South China Sea” (article 3). They also undertake to resolve their territorial and jurisdictional disputes by peaceful means, without resorting to the threat or
use of force, through friendly consultations and negotiations “by sovereign states directly concerned”—without saying which states are concerned about which areas (article 4). The parties reaffirm that the adoption of “a code of conduct in the South China Sea” will further promote peace and stability in the region (article 10). The text thus applies vaguely to the whole of the South China Sea, not to any particular disputed area. Hence Vietnam may pretend that it applies to the Paracels, while China may assert that it does not since the Paracels are indisputably Chinese.

In any case, the negotiations for the code of conduct show that in order for analysts to understand the regional maritime disputes, it is important not to focus uniquely on the Spratlys, but take the “other disputes” in the South China Sea into consideration as well. In addition to the Paracel dispute, there is a dispute between the Philippines, China, and Taiwan over Scarborough Shoal (west of Luzon), and a dispute between the PRC and Taiwan over Pratas Island and Reef (southeast of Hong Kong). Scarborough Shoal, which includes only a very small high tide elevation, is not under permanent occupation. Pratas Island is occupied by Taiwan.5

The disputes over the Paracels and Scarborough Shoal are important because they may either block or open the way to further improvement of Sino-Vietnamese and Sino-Philippines relations, and because it would be difficult to approach a resolution of the dispute over the Spratlys without first—or at the same time—discussing these two other disputes. The focus in this article will be on the Paracels.

This article presents the history of the Paracels dispute, and defines its role within the larger disputes over sovereignty to islands and maritime delimitation in the South China Sea. The article argues that the dispute concerning sovereignty over the Spratlys as such may simply be shelved, but that this can only happen within the context of a larger multilateral agreement on maritime zone delimitation, based on a consensus that the Spratly islands are too small to generate continental shelves and Exclusive Economic Zones (EEZs) of their own. However, such a multilateral agreement, which will benefit Vietnam, will depend on Vietnamese recognition of Chinese sovereignty to the Paracels. This is why the main focus of the article is on the Paracels.
The Paracels: Geography and History

Geography

The Paracels are located between 15° 46" and 17° 09" North and between 111° 11" and 112° 54" East, roughly at the same distance from the coast of Central Vietnam and the southern coast of Hainan (115-150 nautical miles depending on the choice of base points). The archipelago consists of two main subgroups. In the east is the Amphitrite group with West Sand, Tree Island, Middle Island, South Island, South Sand, and Woody Island. Lincoln Island is situated somewhat further east. In the west is the Crescent group with Pattle, Money, Robert, Drummond, and Duncan Islands, with Vuladdore Reef, Discovery Reef, and Passu Keah Reef in their southern vicinity. Outside of the two main subgroups is North Reef in the northwest, Triton Island in the Southwest, and Bombay Reef in the southeast. All of these features do of course have other names in Chinese and Vietnamese. The Vietnamese call the Paracels Hoàng Sa and the Chinese call them Xisha (West Sand). Woody Island, the largest island in the group, is about 1.8 km long and 1.1-1.2 km wide.

Although bigger than the Spratlys, all the Paracel Islands are tiny and, as the monsoon season is rough, they do not seem to have been permanently inhabited before they came under Japanese and French military occupation in the late 1930s. However, fishermen—both from Hainan and Vietnam—used to stay there for certain periods every year. Today Chinese fishermen and troops, and occasionally a research team, form the main human presence. China has built an airstrip and other military installations on Woody Island, and apparently a signal intelligence post on a reef nearby. Civilian authorities in Hainan plan to transform Woody Island into a tourist resort.

History

The dispute over the Paracels has a dramatic history, with an Annamese claim in 1816, rival Chinese, Franco-Annamese, and Japanese-Taiwanese claims between 1909 and 1951, simultaneous Japanese-Taiwanese and Franco-Annamese occupation from 1939-45, a Sino-French incident in 1947, division between
the Chinese-occupied Amphitrite group and the Franco-Vietnamese-occupied Crescent group from 1947 to 1950, reoccupation of the Amphitrite group by the PRC in 1955, invasion of the Crescent group by PRC forces and eviction of South Vietnamese forces in 1974, and later the construction of PRC base facilities. The history of the Paracels is examined below in more detail.

The Paracels have been known by Chinese and Southeast Asian navigators from the earliest days of sea borne trade as a danger and an area that all ships had to stay clear of. On most maps from the sixteenth to the eighteenth centuries, the Paracels figure prominently, with a wildly exaggerated size. This was because most of the ships at the time followed the old established trading route northwards along the coast of Vietnam, turning east only when being well north of North Reef and having Hainan island in sight. There are many tales of ships that went off course in storms and were shipwrecked in the Paracels. The same maps that feature the Paracels prominently often fail to display any of the Spratlys, which in reality cover a much larger area than the Paracels. This is probably because the ships whose observations formed the basis for the European maps rarely ventured into the central part of the South China Sea or tried to navigate across the sea north of Borneo.

It seems that the main shipping route between the Melaka Strait and Luzon went north along the Vietnamese coast, then east at the approach of Hainan and south from the Chinese coast or Taiwan to Manila Bay or other ports. The Spratly area was far away from the northwest “maritime highway” along the western side of the South China Sea, and was therefore much less known than the Paracels. However, the reason why the Paracels figured so prominently on the old maps was not that they were a source of value; it was that they were dangerous. In the pre-modern period, only local fishermen, whose geographic knowledge has not been preserved in atlases and libraries, are likely to have known how to approach the Paracels safely in order to collect turtles and feathers or to loot shipwrecks.

In a short period of maritime expansion (from the 1810s to the 1830s), the Vietnamese Nguyen dynasty claimed a monopoly on the collection of goods from shipwrecks in the Paracels, and reportedly erected a marker and built a pagoda. A Vietnamese map from 1838 also indicates that the Nguyen court was influ-
enced by the appearance on European maps of a long fringe of islands off the Vietnamese coast, and attributed more importance to the Paracels than they actually deserved.9

In the period of French colonization, more accurate surveys were made, and the maps of the South China Sea started to resemble the ones we have today. In the 1890s, the French discussed plans to erect a lighthouse in the Paracels, but the plans did not come to fruition for lack of funding. The Qing dynasty in China had also occasionally shown an interest in the Paracels; but in 1898, the governor of Guangzhou (Canton) claimed, in response to a request for indemnity for the plundering of a German and a Japanese shipwreck by Chinese subjects, that the Paracels did not belong to any state. The Qing dynasty would soon change its mind, however, and in 1902 and 1908 (or 1909) sent expeditions to the islands and formally claimed them on behalf of the Chinese empire. Some mandarins at the court in Hue, the capital of Annam (Central Vietnam), wanted to counter the Chinese move by reasserting the claims made by the Nguyen dynasty before French colonization, but France seems to have decided to turn its eye away from the Chinese actions in order not to stir up more anti-French feelings in China. In the 1920s, Britain and Japan both tended to consider the Paracels to be Chinese, but the Guangzhou government did little to pursue Chinese interests, although a statement was made in 1921 to the effect that the Paracels were to be administered from Hainan.10 A Chinese mission was sent to the islands in 1928.

It took until 1931 before France issued its first statement in pursuance of Annam's former claim, and another seven years before France proceeded to occupy the islands. The motive then was fear of Japan, which in 1937 had invaded much of China. The French wanted to forestall a Japanese occupation of the Paracels; but in 1938, when France dispatched an occupation force, it found that there was already a Japanese military presence.11 From then until 1945, Franco-Vietnamese and Japanese-Taiwanese garrisons lived side by side in Woody Island in the Amphitrite group, while the French officers and their Vietnamese soldiers kept Pattle Island in the Crescent group to themselves. Franco-Japanese cohabitation lasted until the Japanese dismantled the French colonial regime in Indochina in March 1945.

After the Second World War, Chinese Nationalist troops
occupied northern Indochina (Vietnam and Laos north of the sixteenth parallel) for the purpose of disarming the Japanese. The Chinese decided to tolerate the existence of the new Democratic Republic of Vietnam (DRV) that was proclaimed by Ho Chi Minh in Hanoi on September 2, 1945. French forces only returned to northern Indochina in March 1946, after a Franco-Chinese agreement had been signed on February 28. During the subsequent months, the Chinese occupation forces gradually withdrew from Vietnam and Laos. It was also part of the French plan of reoccupation to take possession of the Paracels, but the French High Commissioner in Saigon postponed it. His limited resources were needed for the expected confrontation with the newly established army of the DRV. The French delay gave China a chance to get to the prey first.

A Chinese garrison was established in Woody Island in December 1946 or early January 1947, while a French party arrived only later in the month (this was just after war had broken out between France and the DRV on December 19). The French failed to persuade the Chinese commander to leave Woody Island, and then instead occupied the second-largest island (Pattle in the western Crescent group). A diplomatic crisis ensued between France and China. No solution was found, and the result was that the eastern Amphitrite group became a Chinese-occupied area, while Franco-Vietnamese forces controlled the western Crescent group. This was the same division that had existed in the 1920s-1930s with Chinese and Japanese interests focusing on the Amphitrite group and Franco-Vietnamese on the Crescent group. The division remained until 1974. During this period, the French-supported state of Vietnam and the U.S.-supported Republic of Vietnam officially and repeatedly claimed sovereignty to the whole of the Paracels (Hoàng Sa), whereas some representatives of the DRV expressed support for the view that the Paracels were under Chinese sovereignty. Both the Republic of China (ROC) on Taiwan and the PRC maintained, through many official statements, a Chinese claim to all of the Paracels (Hsiisha or Xisha).

In January 1974, at a time of Sino-American rapprochement, and a year after the Paris peace agreement on Vietnam, Chinese forces moved into the western part of the Paracels, planting flags on several islands. On January 19, Chinese regular forces based on Woody Island intervened in a fight between Chinese
militia and South Vietnamese forces on the small Duncan Island of the Crescent group. Fighting went on for two days, and other islands held by the South Vietnamese were shelled. After having lost Duncan Island on January 20, the South Vietnamese forces fled and sailed south where they established the first permanent Vietnamese occupation of islands in the Spratly group. There is little doubt that North Vietnam deeply resented the Chinese move, although it could not yet openly protest actions by one of its allies in the war against the U.S.-backed South Vietnam.\textsuperscript{15} However, after the fall of the Saigon regime, when all of Vietnam was united into the Socialist Republic of Vietnam (SRV), the new government upheld South Vietnam's former claims, both to the Spratlys and the Paracels, and sought to erase from public memory all statements made in the past by DRV officials in support of the Chinese claim.

Since 1974, China has maintained control of the whole of the Paracels, while Vietnam has continued to claim the island group in numerous official statements. There have been no further military incidents, but China has built an airstrip and military barracks on Woody Island. According to the French security analyst Éric Denécé, China maintained around 1,000 troops in the Paracels by the mid-1990s. A port had been constructed on Triton Island (the one closest to Vietnam), and the airstrip on Woody Island measured 2.6 kilometers. This allowed China to keep some twenty F-8 or H-6 fighter aircraft there.\textsuperscript{16} In March 1998 it was announced that China had built a signal intelligence listening post on a nearby islet. In the same year, the provincial authorities in Hainan, who are administratively responsible for the Paracels within the Chinese system, made known a plan to establish a tourist site on Woody Island, with the apparent intention of using the military barracks as a hotel. The initiative does not seem to have aroused much enthusiasm within the Chinese People's Liberation Army, and therefore was not apparently followed up.\textsuperscript{17}
Economic and Strategic Importance

The Limited Military Value of the Paracels

Although the Paracels mainly represented a danger to shipping in earlier times, they also served as a source of precious items such as tortoise shells and feathers, and as a fishing ground. The seabed, however, is rocky and as a result today's larger fishing vessels tend to steer clear of the area in order to avoid destruction of their fishing gear. From the 1920s onwards, some Sino-Japanese companies hoped to profit from the extraction of guano (bird dung) from the Paracels, but their expectations were never fulfilled. Overall, the economic value of the Paracels in and of themselves must be said to be small. If the islands can be used as base points for claiming a continental shelf and a 200-nautical mile economic zone, however, the value in terms of fishing opportunities and oil exploration may be substantial. Currently, there are no serious expectations of finding oil and gas in the vicinity of the Paracels where the waters are very deep, although the technological capacity to drill for oil in deep waters is increasing all the time.

Expectations of economic opportunities have often been used as a smokescreen for military interest. The Japanese navy no doubt stood behind the companies that extracted guano in the 1920s and 1930s. As mentioned, it was the rivalry between Japan and the European powers that pushed the Paracels into the focus of military planning in the late 1930s, and this is why a Franco-Vietnamese military garrison was established there in 1938. A French report written in the previous year stated that the islands had no commercial value, but could serve as a springboard for Japanese southward expansion. The proximity of the Paracels to the coast of Annam made a Japanese presence intolerable, the study concluded. It was therefore proposed to set up a lighthouse, and to study the question of permanently occupying the islands. This shows that the Paracels held a real strategic importance as a source of threat to French Indochina (today's Vietnam). It was dangerous to allow the island group to be controlled by a hostile power, and the French were willing to spend resources to prevent this from happening. The French occupation of the Paracels pleased the British since they had
found the group to be indefensible and therefore not worth putting money in. The problem with defending the Paracels is partly that it is difficult to land ships from the sea when the monsoon comes in from the northeast, and partly that the waters around are so deep that they cannot be mined. Submarines can easily approach the archipelago and destroy the installations there. The Paracels thus have military value only within an offensive strategy.

Toward the end of the Pacific War in 1944-1945, the Pentagon made a plan to invade Hainan and Tonkin (north Vietnam). The plan was never implemented, but it is interesting to note that the planners did not seem to consider the Japanese installations in the Paracels a threat to the U.S. invasion force, although it would have had to approach Hainan and Tonkin on sailing routes not far from the island group. In the hands of a stronger power, the Paracels may form part of a threat to Vietnam, but when controlled by an inferior power they do not seem to represent any serious threat to a stronger power’s naval forces. In the 1950s and early 1960s, during the cold war, the British once again studied the strategic value of the Paracel and Spratly Islands, and concluded that it was negligible. Britain saw no need to take action to ensure friendly control of any of the two island groups despite the fact that the Paracels were located close to the main shipping route between Singapore and Hong Kong. The British simply concluded that they would prefer a Franco-Vietnamese to a communist Chinese occupation.

In 1974 the administration of Richard M. Nixon took no action to prevent the western Paracels from falling into the hands of the PRC, although the South Vietnamese garrison that was driven out included an American officer. The main reason may be that this occurred during the Watergate scandal, in a period of Sino-American rapprochement and American withdrawal from Vietnam. However, the lack of any reaction from the United States also indicates that the Americans considered the strategic importance of the Paracels to be limited.

From Vietnam’s viewpoint, it is worrisome to have a Chinese airstrip and advanced signal intelligence installation so close to its coast. Aircraft based on Woody Island may reach a wide range of targets in Vietnam and also in the Spratlys. Still, the distance from Woody Island to the Spratlys is longer than from
the nearest airports on the Vietnamese coast. An effective Vietnamese air force will represent a serious threat to the communication lines between China and its forces operating in the Spratly area, and the small airstrip on Woody Island will play only a modest role in reducing that threat. In case of open conflict in the Spratlys, China may therefore see a need to destroy the Vietnamese navy and air force before it can intervene. The strategic value of the Paracels would then depend on the role they could play in a Chinese preventive attack on the Vietnamese navy and air force. This means that from a Vietnamese perspective, a demilitarization of the Paracels and their transformation into a tourist resort would be reassuring.

Motives and Arguments

Since the economic importance of the Paracels is so limited, and their strategic value can only be realized in an offensive strategy, the main motive behind the sovereignty dispute is probably the expectation that the group can be used as a basis for claiming a continental shelf and Exclusive Economic Zone (EEZ). In addition comes the factor of "national pride." The Chinese and Vietnamese governments have taught their populations through all kinds of media (not the least, maps) that the Paracel and Spratly islands are part of their national heritage. This makes it difficult for the leaders to back down and compromise. National pride and the desire for maritime space keep the sovereignty dispute alive and incite the parties to build exaggerated views of the islands' significance. In 1996, China drew a so-called "archipelagic baseline" around the whole of the Paracels, thus subsuming the waters within the group as internal Chinese waters. The main purpose was probably to enhance the possibility of claiming an extensive continental shelf and EEZ measured from base points in the Paracels.

There is no point in repeating here the arguments raised by China and Vietnam in support of their sovereignty claims in the Paracels. These can be found in the two countries' white books, and several authors have summarized their arguments. What is more interesting is independently to consider the main strengths and weaknesses of the rival claims. Archaeological findings are often evoked by the Chinese side as evidence that the presence
of “Chinese objects” show a continued Chinese presence from
times immemorial. However, if it were at all possible to define a
“Chinese object,” it is also possible that non-Chinese could have
been in possession of such objects.

Both sides also refer to ancient books that mention islands
and reefs in the South China Sea, and claim that this is evidence
of discovery. However, discovery is not enough to establish a
legal title. What the Chinese and Vietnamese historians rarely
mention is that the old books referred to the reefs and islands
mainly as a danger to shipping. They were said to be inhabited by
ghosts and howling demons.\textsuperscript{23} The fact that subjects of the
Chinese or Vietnamese dynasties visited the Paracels or harvested
feathers or turtles there in ancient times also does not give ground
for a sovereignty claim today. It must furthermore be remem-
bered that the northern part of today’s Vietnam was a part of
China until 1000 A.D., and that the Vietnamese kings had a tribu-
tary status vis-à-vis the Northern Emperor (China). This makes it
even more complicated to use pre-modern historical evidence to
decide whether the islands are Chinese or Vietnamese. The most
valid arguments must be found in more recent history, from the
nineteenth century onwards.

\textit{Comparing Historical Arguments}

We shall now summarize the historical arguments that, in
this author’s judgement, would be most likely to impress a court
of arbitration.

Vietnam may advance the following arguments:\textsuperscript{24}

- Nguyen emperor Gia Long officially claimed the Paracels in
  1816, and emperor Minh Mang sent an expedition to set up a
  marker and build a pagoda there in 1835.\textsuperscript{25}
- A Qing dynasty official, the “Vice-Roy of Canton,” allegedly stated
to a British official in 1898 that China carried no responsibility
in connection with the looting of two ships that had become
stranded in the Paracels, since the islands had been abandoned
and belonged neither to China nor Annam, and no police authori-
ty existed there. The statement may be claimed to represent an
estoppel of previous Chinese claims, if there were any.\textsuperscript{26}
- After the Qing dynasty sent expeditions to the Paracels in 1902
  and 1908 (or 1909), subsequent Chinese governments did not
follow up through effective utilization or occupation.\textsuperscript{27}

- The French protectorate Annam revived the Nguyen dynasty's claim in 1931, and permanently occupied the islands from 1938 to 1945 (alongside a Japanese presence).

- Franco-Vietnamese forces reestablished their presence in a part of the Paracels in 1947, and at each stage of Vietnam's road to independence from colonial rule, France and Vietnam agreed that the Paracels were part of Vietnamese territory.\textsuperscript{28} A statement to the effect that the Paracels were under Vietnamese sovereignty was made by the Vietnamese delegation at the San Francisco Peace Conference in 1950. (At the conference, Japan surrendered its claim to sovereignty in Taiwan, the Paracels, the Spratlys, and other South China Sea Islands, but the peace treaty did not say to whom Japan surrendered this claim.)

- Between 1950 and 1955 Vietnam continuously occupied the western Crescent group, while no mainland Chinese troops replaced the Nationalist Chinese garrison after it had been withdrawn from the Amphitrite group in 1950. Only in December 1955 did the PRC establish a regular military presence in the eastern Paracels.\textsuperscript{29}

- The PRC took the western Paracels in January 1974 by force. This renders the acquisition invalid since international law prohibits the use of force.

- Since the unification of Vietnam in 1975-76, the SRV has consistently upheld the Vietnamese claim to the Paracels through numerous official statements.

China could use the following arguments:

- In the nineteenth and twentieth centuries, fishermen operating from Hainan inhabited the Paracels for major parts of the year. They were Chinese subjects. The visits by Vietnamese fishermen were much less frequent.

- When the Qing dynasty sent expeditions to the Paracels in 1902 and 1908 (or 1909), hoisting the Chinese flag, and the Guangdong government officially stated the island group to be under Chinese sovereignty, more than half a century had passed since any state had laid claim to it. The Vietnamese Nguyen dynasty had not utilized or occupied the islands. Its claim, if there had been any, had therefore lapsed. In addition, France did not protest against the Chinese claim.\textsuperscript{30}

- In the 1920s, when Japanese companies were established to extract guano in the Paracels, concessions were sought from both French and Chinese (Guangdong) authorities. The French
refused to issue any concessions and did not state that the islands were under French sovereignty, so Japanese operations were based on Chinese concessions.\footnote{31}

- In the interwar period, Britain considered the Paracels to be Chinese.\footnote{32}

- When a French garrison was established in the Paracels in 1938, France diplomatically informed China that this was only meant to counter Japanese expansionism and would in no way prejudice the sovereignty dispute between China and France (on behalf of Annam).\footnote{33}

- In December 1946, Chinese naval forces established a garrison on Woody Island, the largest of the Paracels. In January 1947, when French naval forces arrived and tried to persuade the Chinese to leave, the Chinese commander refused. The French then left Woody Island in the Amphitrite Group and established a counter-presence on Patlle Island in the Crescent Group. A diplomatic crisis ensued during which France proposed to send the dispute to international arbitration. French diplomatic sources reveal that France contemplated in this connection the possibility of recognizing Chinese sovereignty to the Paracels in return for a Chinese concession in another area.\footnote{34}

- After the Chinese Nationalist troops left the Paracels in 1950, France did not proceed to occupy the Amphitrite group, and fishermen from the PRC, using the PRC flag, continued to inhabit the islands during much of the year until a proper PRC garrison was established in 1955-1956.

- Officials of the DRV (North Vietnam) on several occasions issued statements in support of the PRC claim, and the Paracels was considered by all the socialist countries to belong to China. It was also treated as such by the official DRV press. This amounts to an estoppel of any previous Vietnamese claim to the Paracels.\footnote{35}

Today's SRV is a successor state to the DRV and the Provisional Revolutionary Government of South Vietnam (PRG), not to the Republic of Vietnam (South Vietnam). The SRV is therefore legally bound by the statements made by DRV government officials during the 1950s and 1960s. South Vietnam's sovereignty claims lapsed with the fall of that regime in 1975.

- When the PRC forces ousted the South Vietnamese forces from the Crescent group in 1974, the purpose was to reinstate the order from December 1946, when Chinese sovereignty over the whole of the Paracels was upheld through occupation of Woody Island (the largest of the islands in the archipelago) and the erection of markers in other islands.
Since 1974 the whole of the Paracels has been under permanent occupation and utilization by the PRC.

Thus, there seem to be some good arguments on both sides, and it is not evident that one or the other has a superior claim. A decision will depend on what is seen to be the critical date for establishing a valid sovereignty claim. If the Paracels could be considered as two groups rather than one entity, then a compromise solution—whereby China gains sovereignty over the Amphitrite group and Vietnam over the Crescent group—would be conceivable. It does, however, seem unrealistic to expect China to cede any part of its alleged sovereignty in an area where it has full military and administrative control. The most likely scenario of conflict resolution is therefore one where Vietnam gives up its claim to the Paracels in return for a Chinese concession in another area, just as France considered doing in 1947. To assess this scenario in more detail, a review of the dispute within the context of Sino-Vietnamese relations is required.

The Paracels in Sino-Vietnamese Relations

In December 1999, China and Vietnam signed a treaty on their land border. The Chinese People’s National Congress and the Vietnamese National Assembly ratified the treaty in 2000. However, the content of the treaty was not publicized, and when the demarcation of the border started in 2001, a protest movement emerged among Vietnamese dissidents and overseas Vietnamese against their government’s concessions. In December 2000, Vietnam and China also reached two agreements on the Gulf of Tonkin, a treaty on the boundary between the two countries’ territorial waters and EEZs, and an agreement on fishery cooperation. These agreements also came under heavy criticism from opponents of the Vietnamese government, and probably also within the Vietnamese Communist Party. By late 2002, China and Vietnam had not yet reached agreement on a set of supplementary protocols to the fishery agreement. None of the Gulf of Tonkin agreements has therefore been ratified or entered into force.

If the land border is successfully demarcated and the Gulf of
Tonkin agreements are allowed to enter into force, the disputes over the Paracels and Spratlys will remain as the main impediments to a stable cooperative relationship between China and Vietnam. Sino-Vietnamese relations went through a period of gradual but persistent rapprochement from the normalization of diplomatic relations in 1991 to the signing of the Gulf of Tonkin agreements in December 2000. Railways and roads were reconnected. Border trade flourished. Chinese tourism in Vietnam increased tremendously. The Vietnamese communist leaders looked to China for advice on how to manage a market economy without losing political control. Although there were several incidents in the South China Sea, linked to fisheries and oil exploration, none of them degenerated into open conflict. In order not to alienate China, Vietnam also kept its ties with the U.S. military to a minimum, and made clear in numerous statements that it would not allow the U.S. Navy access to the Cam Ranh Bay base after the last Russians left the base in January 2002.

However, in the run-up to the Ninth Congress of the Vietnamese Communist Party in April 2001, General Secretary Le Kha Phieu came under criticism not only for bad management, but also for having been too soft on China. According to the international press, this was part of the reason why Nong Duc Manh replaced him as party leader. Shortly before the congress, in connection with a visit to Vietnam by the Chinese Minister of Defense, a war of words broke out concerning the Spratlys and the Paracels. The question may therefore be asked if the ten-year long trend of improvement in Sino-Vietnamese relationship had come to an end, and if this may explain why the two countries have not yet completed their negotiations on the fishery agreement in the Gulf of Tonkin.

On the other hand, there were several high-level visits between the two countries in 2001 and 2002: The new Vietnamese party leader, Nong Duc Manh, visited Beijing in 2001, and Chinese party leader Jiang Zemin made a three-day return visit to Hanoi in February 2002. Moreover, China and Vietnam did reach agreement with the other ASEAN states on a code of conduct declaration for the South China Sea at the ASEAN summit in Phnom Penh on November 4, 2002. Continued Sino-Vietnamese rapprochement is essential to the prospects of resolving the larger disputes in the South China Sea. Three bilateral relationships
could conceivably play an important role in paving the way for a
larger solution. These are between the Philippines and China,
between Taiwan and the PRC, and between China and Vietnam.
If all three bilateral relationships improve, then there might be a
chance to initiate talks on the question of the Spratlys and the
delimitation of maritime zones.

The way to improve the relationship between China and the
Philippines in the maritime area could be to start talks on Scarborough Shoal. The way to improve the relationship between Taiwan
and the PRC in the maritime area might be to reach a formal
agreement that Taiwan occupies Pratas Island (Dongsha) and Itu
Aba Island (Taiping Dao) in the Spratlys not on behalf of itself, but
on behalf of China as a whole. Finally, the way to further improve
the Sino-Vietnamese relationship, after resolving the problems in
the Gulf of Tonkin, could be to establish a mutual understanding
to the effect that a bilateral agreement on the Paracels will be part
of a larger solution to the dispute over the Spratlys and maritime
delimitation in the central part of the South China Sea.41

The Paracels in the South China Sea Dispute

In the last few years, the main role of the Paracels dispute
within a regional context has been to contribute to delaying
agreement on the code of conduct. ASEAN’s proposal of 1999
was meant as an exercise in preventive diplomacy. It restated the
prohibition in international treaty and customary law against the
use of force or threat of force. It called for the exercise of self-
restraint, more precisely in refraining from occupying any fea-
tures that were not already under occupation. It established a
need to develop confidence-building measures as well as cooper-
bation between the countries concerned, and consultations. Much
of the proposal represented an attempt to codify in a single docu-
ment some relevant rules of conduct that are already recognized
by the individual states concerned. It was never the intention of
the negotiators to agree on a legally binding treaty; but many of
the clauses included in the final text (such as the prohibition
against the use of force) are already legally binding on all parties
since they form a part of customary international law.

The code of conduct has its background partly in various
declarations made by the ASEAN countries since the organization was founded in 1967, and partly in two bilateral code-of-conduct agreements that were agreed upon in the aftermath of certain incidents in the mid-1990s. After China had constructed installations on Mischief Reef in the Spratly area, not far from the Philippines, Manila negotiated a joint statement with China on a bilateral code of conduct in August 1995, and signed a similar agreement with Vietnam in November. These code-of-conduct agreements did not, however, prevent incidents from occurring either between the Philippines and China, or between the Philippines and Vietnam; but they may have played a role in preventing such incidents from degenerating into open conflict.

Why did Vietnam insist, when drafting the code-of-conduct proposal with the other ASEAN countries in 1999, to include the Paracels in the area concerned? Hanoi must have anticipated China’s refusal. Moreover, there does not seem to be much need for preventive diplomacy in the Paracels since it is unlikely that any Vietnamese fishermen or naval vessels will openly challenge Chinese de facto authority. One of Vietnam’s reasons may have been to acquire a bargaining chip; another could have been to draw attention to its half-forgotten claim. Since China has been in full control of the Paracels for almost three decades, the world might start to forget about the dispute and remember only the Spratlys. It is also conceivable that Hanoi looked ahead and considered the possibility of a multilateral process of conflict resolution in the whole of the South China Sea. The Paracel dispute in this context could then play a significant role, since the island group will no doubt be used as a basis for delimiting the continental shelf and EEZs of the surrounding countries.

When, at some point in the future, the countries around the South China Sea are ready to start negotiations about maritime delimitation, they must take the Paracels, the Spratlys, and other islands into consideration, and make up their mind as to how much weight these islands shall be given in determining the size and shape of national maritime zones. In that context, a range of opportunities may emerge for Vietnam to extract concessions from China, in return for a Vietnamese recognition of China’s sovereignty in the Paracels.
Conclusion

The Spratly and Paracels disputes are intimately connected with one another, since both groups may have a significant impact on the delimitation of maritime zones in the central part of the South China Sea. It will be difficult, if not impossible, for China and Vietnam to reach an understanding on the Spratlys unless they also arrive at an agreement on the Paracels. In this context we must emphasize the basic difference between the Spratlys, Scarborough Shoal, and the Paracels. The islands and reefs in the Spratlys are occupied by troops from no less than five different states (if we include Taiwan). This means that a resolution of the sovereignty dispute that goes in favor of one or the other could considerably affect local power relations. There is therefore little chance that the parties will ever agree to a court decision on the sovereignty question or send it to international arbitration.

From a conflict-resolution perspective, it seems preferable to shelve the dispute over sovereignty in the Spratlys and find a way to localize it so as to make it possible for more vital matters, such as environmental protection, management of fish stocks, and maritime delimitation, to be brought into focus. Scarborough Shoal is not under the occupation of any state. This makes it possible also here to shelve the sovereignty dispute between the Philippines, China, and Taiwan, and find a way to cooperate in protecting the environment, managing fish stocks, and delimiting maritime zones.

By contrast, the Paracels are under the effective control of only one state and claimed only by one other. Not much will therefore be gained by shelving the sovereignty dispute, which would amount to tacit Vietnamese recognition of the Chinese occupation. Vietnam may instead want to use its claim to the Paracels as a bargaining chip in a process toward a larger compromise solution. First, to increase its security, Vietnam will want China to demilitarize the Paracels. Second, Vietnam may want to trade its recognition of Chinese sovereignty in the Paracels for a Chinese concession in the Spratlys. It is unrealistic to expect China to give up its sovereignty claim to the Spratly islands, but it is conceivable that China might agree with the Vietnamese view that the Spratly Islands are too small to support
permanent human habitation or an economic life of their own. In that case, the Spratly Islands would not fulfill the requirements established in the United Nations Convention on the Law of the Sea (UNCLOS) for generating a continental shelf and a 200-nautical mile EEZ. They would only then have the right to 12-nautical mile territorial waters.

If the claimant states in the Spratlys could reach consensus on such an interpretation of the UNCLOS, it would be possible to delimit the territorial waters of all high-tide elevations in the Spratly area, shelve the dispute over these features and their territorial waters, and divide the rest of the South China Sea on the basis of distance from the mainland coasts and coastal islands. This would allow Vietnam to almost fully realize its claim for a 200-nautical mile continental shelf and EEZ outside the southern half of its coast. Despite the general disappointment with oil exploration in the South China Sea, there may also still be hope of finding reservoirs of exploitable oil and gas in this area. If China and Vietnam were to improve their relationship further, and resolve the remaining problems in the Gulf of Tonkin, they might next start looking at how to make a bilateral resolution of the Paracels dispute part of a larger multilateral process of conflict resolution in the South China Sea.

NOTES

1. The article builds on a paper presented at the International Studies Association (ISA) annual convention in Hong Kong, July 26-28, 2001. The author is grateful to the panel for its comments, to Clive Schofield for his written comments, and to two anonymous referees for their helpful suggestions.
3. Mention of Taiwan is not meant as a statement of opinion on its legal status. The sovereignty claims of the Republic of China (ROC) and the People’s Republic of China (PRC) in the Spratlys should probably be considered as one and the same legal claim on behalf of “China.” The government in Taipei has not reformulated the Chinese claim of Chiang Kai-shek’s government into a “Taiwanese” claim, although it may be interpreted to have taken a step in that direction in November 1999, when it transferred responsibility for defending Pratas and Itu Aba (Taiping Dao) from the Ministry of Defense to the Ministry of the Interior (Agence France Presse, Taipei, November 18, 1999; in Foreign Broadcast Information Service, FBIS-CHI-1999-1118). For an analysis of Taiwan’s South China Sea policy, see Kristen Nordhaug, “Explaining Taiwan’s Policies in the South China Sea, 1988-1999,” The Pacific Review, vol. 14, No. 4 (December, 2001), pp. 487-508.

4. To the extent that the ROC on Taiwan still considers itself to represent all of China, it also maintains a claim to the Paracels. But it would most likely abandon that claim if it were to redefine itself as representing only Taiwan.

5. Macclesfield Bank (east of the Paracels) is often listed by the PRC and ROC among the features they claim in the South China Sea, but since it does not rise above the water, it cannot actually be the object of a sovereignty claim. Submerged banks are part of the seabed and the country on whose continental shelf they are situated has sovereign rights to exploit their resources and a concomitant obligation to manage them responsibly and protect the environment.

6. Generally the English names for geographic features are used here, in order to remain neutral with regard to the sovereignty disputes between the local states.


11. R.G. Howe (FO) to the Secretary of the Admiralty, no. 1526, 11.7.38 and no. 1560, 14.7.38, ADM 1/9951, Public Record Office (PRO), London.


15. Hanoi's proclamation, which did not take sides, but opted for negotiations, is quoted ibid., p. 106.


17. Information from provincial authorities in Haikou during a visit in January 2000.

18. Le Vice-Amiral Esteva, Commandant en Chef FNEO, au Ministre de la Marine, no. 19 EM2, signé à bord Lamotte-Picquet, 16.3.37, 1BB4 74, Service Historique de la Marine (SHM), Paris.

19. Minute by C.G. Jarrett for the Head of Military Branch, 1.3.39, ADM 1/9951, PRO.


24. The list of arguments here is not exhaustive, and it must be emphasized that the present author has no legal training. Two books that treat the question exhaustively and end up with the view that the Vietnamese claim is superior are the rather flimsy Monique Chemillier-Gendreau, *La souveraineté sur les archipels Paracel et Spratleys* (Paris: l'Harmattan, 1996), pp. 157-62 (English translation: *Sovereignty over the Paracel and Spratly Islands* [The Hague: Kluwer Law International, 2000]); and an exhaustive two-volume doctoral thesis by the Vietnamese legal scholar Nguyen Hong Thao, *Le Vietnam face aux problèmes de l'extension maritime dans la mer de Chine méridionale* [The Vietnam side of the problems of maritime extension in the South China Sea] (Villeneuve d'Ascq: Presses Universitaires du Septentrion, 1998).


27. Samuels, *Contest for the South China Sea*, pp. 53-54. Samuels says the expedition took place in 1908, while French sources say 1909.

28. By contrast to the Spratlys, *Fiche sur la situation juridique des Paracels, Forces Maritimes d'Extrême Orient, 2ème Bureau, Saigon 16.9.54, dos. P01, UU-Sup 2, SHM.*


30. The French Consul in Guangzhou recommended to the French Foreign Minister that France turn its eyes the other way and refrain from issuing a protest, since "Une intervention de notre part serait susceptible de faire surgir un nouveau mouvement de chauvinisme qui nous ferait peut être plus de mal que ne vaudrait la possession reconnue des îles Paracels." Beauvais (Canton) à MAE No. 92, 4.5.09, dos. 312, sous-série Chine, série Asie 1918-1929, Ministère des Affaires Étrangères, Paris. (Also printed as annexe 13 in Chemillier-Gendreau, *La souveraineté*, pp. 196-97.)


32. "His Majesty's Government have regarded China as having the best claim to the Paracel Islands." Minute by C.G. Jarrett for the Head of Military Branch, 1.3.39, ADM 1/9951, PRO.

33. "en Juillet 1938 le Gouvernement français avait averti le Gouvernement chinois de l'envoi d'un détachement dans l'archipel en précisant que
cette opération n'avait pas pour objet d'affecter les positions juridiques de la Chine et de la France vis-à-vis de ces îles ou d'être préjudiciable à un règlement satisfaissant de la question. Par un mémorandum remis au Département le 18 Juillet de la même année, l'Ambassade de Chine avait pris note au nom de son Gouvernement de ces indications, se bornant à réserver les droits de souveraineté de son pays.“ Ministre des Affaires Étrangères (signé Chauvel) à M. Meyrier, Ambassadeur de France à Nankin, no. 87 à 90, 24 janvier 1947, marqué PB/LD, c.a.d. conçu par Philippe Baudet, dossier 214, sous-série Chine, fonds Asie-Océanie 1944-1955, MAE.

34. "... il convient de rappeler que sur ce dernier terrain notre position a toujours été considérée comme assez incertaine," a French Foreign Ministry study said. It emphasized that Chinese authorities had manifested their claim to the Paracels on several occasions between 1909 and 1931 while France had not made any representations concerning Annam’s claim before 1931. Note pour le Secrétaire Général a.s. Iles Paracels, MAE Asie-Océanie, marquée RB/MP, 18.3.47, dos. 215, s/s. Chine, série Asie-Océanie 1944-1955, MAE.

35. A summary of these statements may be found in Austin, China’s Ocean Frontier, pp. 126-30. The most important was an official communication from Vietnamese Prime Minister Pham Van Dong on September 14, 1958 in support of the PRC’s territorial sea declaration that explicitly mentioned the Paracels as Chinese territory. The DRV’s espousal of the Vietnamese claim forms one of the two premises for Austin’s conclusion that China has a superior claim to the Paracels. The other main premise is that France failed to uphold the former Annamese claim in the period 1885-1931.


38. Ian Storey and Carlyle Thayer, “Cam Ranh Bay: Past Imperfect, Future Conditional,” Contemporary Southeast Asia, vol. 23, No. 3 (December,
2001), pp. 452-73; Statement by the Vietnamese Ambassador to the ITAR-TASS news agency, Moscow, October 8, 2002 (BBC Monitoring).
41. The Singapore-based Chinese international law specialist, Zou Keyuan, ventured the opinion in 2001 that “the conclusion of the agreements regarding the boundary delimitation and fishery management in the Gulf of Tonkin can facilitate the resolution of the South China Sea dispute. It probably can be used as a benchmark for the resolution of the Paracel and Spratly Islands dispute.” Zou Keyuan, “Sino-Vietnamese Fishery,” p. 15.
42. See paragraph 121.3 in the LOS Convention, online at www.un.org/Depts/los/losconv1.htm.
43. For the oil industry’s disappointment with the South China Sea, see Robert A. Manning, The Asian Energy Factor (New York: Palgrave, 2000). For an overview of oil concessions and assessment of opportunities in the South China Sea, see Kivimäki, “War or Peace,” pp. 55-58.