

Following the occupation of Mischief Reef were other developments in the South China Sea that raised alarm bells. Simultaneous with China's May 1996 ratification of the UN Convention on the Law of the Sea was its passage of a baseline declaration which enclosed the Paracel islands (disputed with Vietnam) in straight baselines. While no such baselines were drawn around the Spratlys, the declaration stated that "the Government of the People's Republic of China will announce the remaining baselines of the sea ... at another time." Then in March 1997, Chinese vessels and an oil rig were seen operating in what Vietnam claimed as its EEZ and continental shelf. Vietnam protested and soon enough the oil rig withdrew, with the Chinese government announcing that it had completed normal operations undertaken "in its own continental shelf."¹

The heightening of tensions among claimants of the South China Sea islands represented some potential for instability, thereby emphasizing the need for confidence building among the protagonists.

Confidence building is not a new phenomenon; it has existed in practice for a long time and is as old as diplomacy itself. As a distinct concept in security studies, confidence building measures (CBMs) have been known for at least twenty years, referring to the practice of adversaries undertaking measures to reduce mutual suspicion and develop a basic level of trust, in order to pave the way for the resolution of conflicts.

Much of the literature concerning CBMs has tended to assume that the parties involved are roughly symmetrical in their diplomatic, military and economic capabilities.² Where this is not the case, such as in the experience of the Philippines and China, the literature implies that CBMs may not function as effectively even if it is possible to agree to undertake them.

Asymmetry would, for instance, suggest that the party enjoying superior diplomatic, military and economic power - Country A - would tend simply to ignore the concerns of the weaker party - Country B - believing that the latter is no real threat and will, in its own self-interest, refrain from provoking Country A. It may suggest also that the Country B will avoid direct negotiations with Country A for fear that Country A will have all the leverage and exact more concessions than Country B is prepared to grant. Thus, Country A may perceive that there is no need for CBMs, while Country B may feel that there is no possible utility in them.

¹ Aileen Baviera, "Security Challenges of the Philippine Archipelago", *Southeast Asian Affairs 1998*. Singapore: Institute of Southeast Asian Studies.

² Pervaiz Iqbal Cheema, "Confidence Building Measures and South Asia", and Kanti Bajpai, "Confidence Building Measures: Contexts, Achievements and Functions". Conference papers presented at the International Conference on Confidence Building Measures and Regional Dialogue: Retrospect and Prospect, 17-19 June 1999. Organized by the Regional Centre for Strategic Studies, Colombo, Sri Lanka. Sponsored by the UN Department of Disarmament Affairs and the International Security Research and Outreach Program of the Canadian Department of Foreign Affairs and International Trade.