

RELEASE IN PART  
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**From:** Sullivan, Jacob J <SullivanJJ@state.gov>  
**Sent:** Tuesday, July 10, 2012 11:46 AM  
**To:** H  
**Subject:** Fw: China note...

Fyi

**From:** Strobe Talbott [mailto: ]  
**Sent:** Tuesday, July 10, 2012 09:38 AM  
**To:** Sullivan, Jacob J; Kurtz-Phelan, Daniel; Schwerin, Daniel B; Goldberg, Philip S  
**Cc:** Kenneth Lieberthal [ ]; Martin Indyk [ ] John-Michael Arnold [ ]  
 Alexis Bataillon [ ]  
**Subject:** China note....

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Worth a look — not least because, as you know, Cui Liru is our “partner” in the US/China/India Track II Dialogue.

(PS: I’m having lunch today with Bob Kagan to get his take on the Big Topic for next Thursday.)

**From:** Kenneth Lieberthal  
**Sent:** Tuesday, July 10, 2012 9:29 AM  
**To:** Strobe Talbott; Martin Indyk; Tanvi Madan; Dennis Blair [ ]  
**Cc:** Alexis Bataillon; Mary Fox; Kenneth Lieberthal  
**Subject:** FW: Luo, Zhu, and Cui Liru urge China to get tough w/SCS

FYI – Cui Liru is now joining other top analysts in calling for a potentially tougher Chinese line on the South China Sea.

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## Tougher line urged on South China Sea

Beijing should be more assertive and strengthen its sovereignty claims on dispute forum told, as Asean ministers gather amid mounting tensions

Teddy Ng in Beijing and Greg Torode  
 Jul 09, 2012



The country's leading foreign affairs and military experts yesterday called on Beijing to take a tough line on the mounting tensions in the South China Sea ahead of a key regional summit in Cambodia this week. They said China should rethink its current policies in handling territorial disputes and act more assertively to strengthen its sovereignty claims over the contested areas, according to panellists who spoke at a World Peace Forum in Beijing. The suggestions came on the eve of the 10-member Association of Southeast Asian Nations (Asean) talks in Phnom Penh today, where the South China Sea issue is expected to dominate meetings.

The mainland speakers at yesterday's forum suggested that existing security mechanisms are ineffective, resulting in uncertainty over regional stability.

"The situation in the South China Sea does not look optimistic," said Luo Yuan, a retired Liberation Army major general known for his hawkish view.

"While China's neighbours are under public pressure [to act upon the disputes], the Chinese are also faced with the same pressure."

Luo, vice-president of the China Strategy Culture Promotion Association, added: "China's sovereignty has been tested to its limits, and there is no room for further tolerance."

Beijing has locked horns with Hanoi and Manila over conflicting territorial claims in the South China Sea in recent months.

The tensions continued to escalate with Hanoi and Manila opposing Beijing's plan to establish a newly-created prefectural-level city to administer the Spratly, Paracel and Macclesfield Bank island chains and nearby waters.

Yesterday more than 200 protesters took to Hanoi's streets in the second anti-China rally in the Vietnamese capital this month amid heightened territorial tensions over the South China Sea. Cui Liru, president of the China Institutes of Contemporary International Relations, said the government has previously focused too much on shelving disputes and seeking common grounds with its neighbours. He said a new approach was needed because of changes in the situation.

"We have come to realise that perhaps we need to do more in terms of demonstrating China's sovereignty [over the disputed territories]. Something has been done, but we still need to do more," he said.

The tension between Beijing and Tokyo over the disputed Diaoyu Islands in the East China Sea, known as the Senkaku Islands by Japan, also flared up last week after the Japanese government said it was in talks with the private owner to buy the island chain. Cui said most regional security mechanisms have failed to achieve their purpose, which is to foster stability, because of differences of interest among countries and the implications on their foreign policies due to domestic pressures. "In the foreseeable future, say at least in five years, the Asia-Pacific region will still be shaped by the feature of a transitional period, which is characterised by a certain level of chaos," he said. Beijing has turned up the heat on the rival South China Sea claimants by announcing the establishment of Sansha after Hanoi passed a maritime law that requires all foreign ships passing through the disputed waters to notify Vietnamese authorities.

The Chinese defence ministry said last month it was considering setting up a military command in the new city.

"It is necessary to set up defence facilities when we establish a new city, especially when it comes to border issues," Luo said. "The military unit in Sansha will be equipped with a high-level command and management mechanism, and focus on air and navy defence."

A highlight of the Asean Regional Forum this week will be the security dialogue attended by foreign ministers from 27 nations on Thursday - an event that has seen many countries express concern over the South China Sea in the last two years.

Chinese Foreign Minister Yang Jiechi will attend the Phnom Penh meetings, as will US State Secretary Hillary Rodham Clinton.

Zhu Chenghu, director general of strategic studies at the National Defence University, said yesterday that the South China Sea disputes could be resolved if there was no meddling. "I am confident peace and stability will be maintained as long as there is no external interference," he said. "The US is the major external factor."