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Water Warriors: How China’s River Chiefs Aim to Tackle Water Pollution

By Genevieve Donnellon-May

(Image: Lake Taihu, the site of a major blue algae breakout in 2007, source: Xi’an Jiaotong-Liverpool University)

Introduction

In many ways, China’s history is one of water management. As Chinese historiographers often remark, the unique hydrological conditions within China led to the creation of three historical miracles: China, Chinese civilisation, and the Chinese people. In both ancient and modern times, Chinese rulers have acknowledged the importance of water for its role in maintaining social stability as well securing their legitimacy.

Beijing’s leaders are acutely aware of the importance of water in maintaining social stability and ensuring the regime’s survival. The government has focused on engineering its way to water security, an approach traceable in part to Mao Zedong’s idea that man must conquer nature. This is reflected in the Chinese state’s construction of large-scale hydroengineering projects, encompassing numerous dams and inter-basin water-transfer projects. More recently, water governance was explicitly tied to Chinese President Xi Jinping’s “ecological civilization” (生态文明) concept (China Brief, June 23) and his published book titled “The In-depth Learning and Implementation of Xi Jinping’s Important Discourse on Water Governance” (People’s Daily, July 19).
In May, China announced new plans to improve water quality. According to the “Guideline on Water Ecology and Environmental Protection in Major River Basins”, by 2025 China’s water governance aims to accomplish two main objectives: first, eliminate surface water below Grade V quality, and second, raise the proportion of “fairly good quality” surface water to 85 percent—an increase of 1.6 percentage points from 2020 (Ministry of Ecology and the Environment, May 5; State Council, May 5). China has a six-tier water quality system, with water below Grade V classified as the worst quality. At Grade III or above, surface water is considered to be of “fairly good quality”.

As a core convention of the central government, guidelines on the water management of major river basins are typically issued once every five years. In contrast to older guidelines, the most recent guidelines explicitly specify the improvement of surface water quality as an obligatory target and includes projected targets for the conservation of water resources and ecosystems. By 2025, for instance, China has set ambitious plans to recover water levels in 53 dried-up water bodies and restore native fish species to a stable population in 107 major water bodies. China also aims to create an additional 213 square kilometers of wetlands by 2025.

**China’s Water Woes**

The new guidelines seek to address enormous, growing water challenges in China. In addition to severe droughts, China faces enormous water quality and spatio-temporal distribution challenges. Due to various interlinked factors such as industrialization, rapid population growth, and urbanization, the demand for freshwater in China is quickly increasing. Looking ahead, forecasts project that China’s water demand will continue to increase in the coming years. Adding to the country’s water scarcity dilemma, climate change is expected to exacerbate these concerns by causing rainfall patterns to become increasingly unpredictable. Recent estimates show that overall, the country’s per capita availability of water is only 25% of the world’s average. Moreover, according to official estimates, over 400 Chinese cities are short of water (People’s Daily, March 21, 2018; Asian Development Bank, October 31, 2016).

A notable example of a Chinese city facing acute water insecurity is Beijing. China’s capital regularly grapples with water scarcity and has experienced multiple droughts, all while coping with a rapidly growing population (National Development and Reform Commission, May 21, 2021). On average, a Beijing local only has access to 145 cubic meters of fresh water each year—that amounts to one tenth of the world’s average water resources per capita (BBC, February 11, 2018).

**Addressing water quality concerns: The River Chief System**

In response to growing water quality and quantity concerns—as well as infighting between different bureaucracies—the central government has introduced a “River Chief System” (RCS) (河长制) to streamline water governance. The RCS policy was first used in response to an outbreak of blue algae at Lake Taihu, Wuxi
City in Jiangsu province in 2007. As the outbreak left over two million people without potable water for a week, Wuxi authorities strove to address water pollution woes by appointing local government officials as “river chiefs.” To provide an incentive structure for local officials, the water quality of river cross-sections was closely monitored and included in the cadre evaluation system of party and government heads—notionally linking water and ecological performance to promotion up the party bureaucracy (National People’s Congress, March 6, 2017; Xinhua, December 31, 2017; State Council, January 4, 2018). In principle, those who submit inaccurate reports on purpose or fail to submit reports on water quality monitoring results are held accountable.[1]

Initially using Wuxi as a proof of concept, the water quality monitoring results of 79 river cross-sections were included in the government performance evaluation. A year later, the river and lake remediation in Wuxi showed immediate results, with a significant improvement in the water quality of 79 assessment sections. Additionally, the overall compliance rate increased from 53.2 percent to 71.1 percent, thereby showing the effectiveness of the RCS policy in addressing water pollution (China Water Resources News, December 8, 2016).

Following the success of Lake Tiahu’s RCS, the Chinese central government carried out a nationwide implementation of the RCS policy. In his 2017 New Year’s address, Chinese President Xi Jinping declared, “Every river should have a ‘river chief” (People’s Daily, June 16, 2017). By the end of 2018, the river chief system had been implemented throughout the country. At present, there are over 300,000 river chiefs at various levels (Xinhua, January 15, 2019).

Under this system, top officials at various levels of government—including township, county, municipal, and provincial—are appointed as lake or river chiefs within their respective jurisdictions. This means that river chiefs assume complete accountability for overseeing and safeguarding their respective rivers, encompassing tasks such as protecting water resources, mitigating water pollution, restoring water ecosystems, enforcing regulations, and conducting monitoring. Among these tasks, mitigating water pollution is considered the highest administrative priority.

The performance of the river chiefs is managed by a top-down accountability system—river chiefs of higher government rank evaluates the performance of lower-level river chiefs, through metrics such as whether local officials meet the water quality targets of specific river sections. Adding to this, river chiefs are held accountable if environmental damage (such as agricultural runoff) occurs in the water bodies they oversee (Xinhua, January 15, 2019).

In Zhejiang province, river chiefs are closely monitored, and water management is a non-negotiable task, while in Hainan, river chiefs are assessed every six months, and those who rank poorly or fail to fulfill their duties are investigated and held accountable (Huaihe River Commission, March 12, 2018). Elsewhere, in the city of Tianjin, river chief assessment results are published monthly and linked to incentives such as funding and performance evaluations for officials. Meanwhile, in the city of Guangzhou, many rivers have displayed public
notice boards displaying the contact information of river chiefs, enabling residents to report problems promptly (Huaihe River Commission, March 12, 2018).

So far, according to official Chinese statistics, the implementation of the RCS policy succeeded in improving water quality. In the Sancha River watershed of Guizhou province, the water quality compliance rates increased from 55.3 percent in 2010 to 96 percent in 2014. [2] Additionally, in Wuxi, the compliance rate stayed above 70 percent from 2011 to 2017 (Wuxi Government, April 20, 2017).

Challenges and Implications

On the one hand, water quality in river basins throughout the country has generally improved. According to the Chinese Ministry of Ecology and Environment, 84.9 percent of surface water monitoring stations reported potable water conditions in 2021, in comparison to 68.9 percent in 2012 (State Council, September 14, 2022). Furthermore, the RCS supports various national projects related to water pollution control and water ecosystem restoration—such as the Major Science and Technology Program for Water Pollution Control and Treatment (《水体污染控制与治理科技重大专项实施管理办法》) (Ministry of Ecology and Environment, November 22, 2019) and the State Council’s Action Plan for Water Pollution Prevention and Control (《国务院关于印发水污染防治行动计划的通知》) (State Council, April 16, 2015).

In addition, the RCS policy aims to reduce ineffective water management policies. Due to fragmentation among various jurisdictional areas and related government agencies with interconnected responsibilities, poorly coordinated water quality plans and projects may result in ineffective water management. [3] Under the RCS policy, however, the RCS office oversees the coordination, supervision, guidance, inspection, and communication of work. The RCS framework avoids replacing existing water-related administrative departments—such as bureaucracies related to environmental protection, forestry, and agriculture—or spreading the tasks across different departments. Doing so means that collaboration between the different government departments is easier and less inclined to incite bureaucratic conflicts—while also improving water quality in rivers and lakes.

On the other hand, the RCS policy has produced significantly uneven results between regions in China based on limited available information. Wealthier cities and those with stronger environmental restrictions tend to see more significant improvements, as these administrative districts have more funds to invest in water pollution treatment systems and water pollution control.

As one study highlights, the RCS has generally produced better results in wealthy cities, whereas relatively less developed regions still suffer from severe water quality issues (Journal of Cleaner Production, 2019). For instance, in 2017, the Nantong City government (in Jiangsu province) allocated 1.5 billion yuan (US$ 213
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Million) to water quality control (Nantong City Government report, 2018). In contrast, local governments of poorer cities may find this more challenging to do so due to limited budgets.

Furthermore, considerable pressure on local officials to meet water quality targets may result in environmental protection expenditures exceeding the total revenue of local governments—spending habits such as these may exacerbate the already severe debt crisis plaguing provincial governments. Indeed, as various Chinese scholars have noted, [4] financing effective environmental governance could result in a rise in the debt ratio of debt-laden local governments, whose decline in revenue has been well documented in recent years (Reuters, March 10; see also Xinhua, June 6; South China Morning Post, June 4).

Adding to this, China’s new national security laws may result in the significant decrease of foreign direct investment (FDI) (see China Brief, June 5). Despite the country’s ongoing economic downturn (Reuters, June 15), the RCS policy will nonetheless increase demand for environmental treatment projects and technologies necessary to carry out water quality control. This could result in sellers raising their prices alongside increasing costs of environmental treatments. [5] Given the fierce competition and expensive nature of water purification technologies, coupled with pressure from the central government to meet the various RCS targets among other objectives—all while facing reduced revenues—it remains to be seen how provincial governments can balance these inherently conflicting demands.

Another aspect to consider is the link between CCP (Chinese Communist Party) legitimacy and water resource management. Despite the planned construction of more hydro-engineering projects and an overall “infrastructure-focused” approach to domestic water management in China (State Council, May 27; China Daily, May 27), the aforementioned obstacles to the RCS could significantly hamper the efficacy of these policies. A breakdown in water management could culminate in a rise in water prices, stringent water restrictions, and heightened water scarcity. This scenario could result in strong public fears of significant water shortages, followed by rampant social unrest, beginning in one particular city or province before spreading to others. Given environmental protests in recent decades—oftentimes arising over the management of water resources and water quality—it is not unreasonable to consider this possibility.

Aside from the protests surrounding the Three Gorges Dam, as well as the 2011 Wukan protests in Guangdong, several other incidents further highlight the link between water resources management and social unrest. Notably, in 2001, a “dam blocking” incident occurred when residents in downstream Zhejiang protested by deliberately sinking boats into a waterway, with the aim of blocking polluted water in upstream Jiangsu province from entering their shared bodies of water (The China Quarterly, 2014). Furthermore, in 2007, protests held by environmental activists broke out in Xiamen over the construction of a chemical plant that posed serious health and environmental risks, including water pollution. In 2008, the Xiamen municipal government cancelled the project altogether (Reuters, June 1, 2007; South China Morning Post, June 2, 2007).

Conclusion
Not only has the RCS policy succeeded in bringing together different government departments and officials, it has also made significant progress in improving the water quality of China’s river basins in a short space of time. However, the RCS policy once again reveals the lopsided development pattern between different Chinese provinces and administrative districts across the country.

The potential failure of China’s RCS raises concerns over a nascent legitimacy deficit for both local and central governments. If the system fails to effectively address water management issues, it could undermine public trust and confidence in the government’s ability to safeguard the country’s environmental resources. This could have far-reaching consequences for the credibility of authorities at the local, provincial, and national level of government. Furthermore, due to the ongoing debt crisis of local Chinese governments, it remains to be seen if these resource-intensive policies can be sustained in the long term—and provide the governance results promised by CCP authorities.

Genevieve Donnellon-May is a geopolitical and global strategy advisor interested in regional resource conflict and environmental governance in Asia. Currently, she is the Asia-Pacific analyst at The Red Line podcast, a non-resident researcher at the Oxford Global Society, and a research associate at the Asia Society Policy Institute.

Notes


Demystifying ‘De-Risking’: Can the PRC Sell to Countries and Coerce Them at the Same Time?

By Ben Sando and I-chen Liu

(Image: An aerial view of containers ready to be loaded onto cargo vessels at Qingdao port in Shandong province, source: China Daily)

Introduction

With the rapid growth of its economic and diplomatic power, the People’s Republic of China (PRC) has cultivated diverse new connections with the societies of other states. These connections, most often deriving from economic activity, have given the PRC methods to influence the political directions of foreign countries. Network engagement through United Front Work and the Ministry of State Security, the influx of corrosive PRC capital, and predation of Chinese diasporic communities all find their origin through these channels of communication (Joske, 2022). This wide set of tactics is now loosely referred to as Chinese “foreign influence” or gray zone political warfare (IRSEM, 2021). Despite the notoriety of this issue, there remains little clarity about which connections with China actually lead to influence (Tiffert, 2020).
Meanwhile, the recent “de-risking” discourse of China policy centers on what kinds of economic linkages with the PRC create vulnerabilities. The de-risking debate in part refers to Beijing’s ability to leverage trade relations with other states to coerce them into favorable policy positions (Brookings Institution, 2023). To date, scholars have employed a variety of methods to test whether trade linkages actually predict the PRC’s influence in other states. A curious result of this research is that when scholars separate trade into imports and exports, the degree a country imports from China serves as a robust predictor of influence, equal to or exceeding the predictive power of exports to China. This result is rather counterintuitive, and generally outside the predictions of researchers. When theorizing the relationship between trade and influence, analysts usually focus on countries’ exports to China as a vector for Beijing’s leverage (Strüver, 2012).

Devising satisfying measures for the PRC’s influence in foreign countries is not easy. Identifying and assessing these methods represents a key stumbling block of the nascent PRC foreign influence field. When testing for Beijing’s influence, academics generally study the presence of decisions or outcomes in target countries favorable to the PRC. While some of these outcomes may be attributable to chance—or natural similarities between certain regimes and the PRC—researchers assume that a non-negligible proportion of these outcomes were stimulated by influence from PRC actors.

Researchers test for Beijing-friendly outcomes in several ways, from examining levels of agreement with China in UN General Assembly voting, to countries’ rhetorical positions on diplomatic issues considered to be of vital importance to Beijing (such as the genocide of Xinjiang Uyghurs) (Ma and Shen, 2022). “The China Index”, a PRC influence measurement tool developed by Doublethink Lab, examines influence effects across a broad spectrum that encompasses economic, diplomatic, and societal phenomena, among other factors (China Index, 2022). Each of these methods has been used to recreate the finding that high import volumes from China have a robust correlation with influence. Notably, Doublethink Lab finds imports and exports both constitute strong predictors of Chinese influence, depending on how trade is measured. The table below outlines the findings of relevant studies. However, despite broad agreement regarding the connection between PRC imports and influence, few satisfying explanations have emerged.

<table>
<thead>
<tr>
<th>Author(s)</th>
<th>Influence Variable</th>
<th>Country</th>
<th>What Predicts Influence?</th>
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When observers focus on the vulnerabilities that trade with China may pose to countries, they generally focus on the power of Beijing to wield trade as coercive leverage. The PRC has a history of cutting off the exports of countries from Norway to Mongolia to punish objectionable policies (European Parliament, 2022). Furthermore, influential thinkers on how trade begets interstate coercion, such as Albert Hirschman, encourage us to focus on one country’s exports to another as its source of vulnerability (Laurenceson, Zhou, and Pantle, 2020). The same focus on coercion—that draws observers towards exports—makes explaining the relationship between Chinese imports and influence so challenging. How can the PRC sell to countries and coerce them at the same time?
To be sure, the goods countries import from China, whether essential manufacturing intermediate goods or the rare earth metals required for electronics production, are vital to their economies and the costs would be devastating were that trade severed (United Daily News, 2022). Beijing has cut off the supply of critical rare earths to a country in one notable instance: to coerce Japan in 2010 over a territorial dispute (New York Times, 2010). Other instances of the PRC choking off what countries import from it are hard to find. For high import volumes to be a direct cause of countries accommodating Beijing’s interests, governments must genuinely believe that the PRC will embargo what it sells to them if they stray from Beijing’s demands. It is possible this consideration may deter countries from risking a trade war with China. However, with few cases of this kind of coercion, it is not immediately convincing that states fear that the PRC will no longer sell goods to them should they enact more everyday policies that are disadvantageous to Beijing.

**Deficits and Dependency**

While import trade in itself may be the source of Beijing’s influence over other states, it is also possible that high import volumes offer indirect routes for the PRC to exert coercive influence.

China’s economy is export-driven, and China consistently sells more than it buys from other states (OEC, 2023). Unsurprisingly, countries that import more from China tend to run trade deficits with the country. In the 82-country sample of Doublethink Lab’s China Index, 70 countries ran trade deficits with the PRC (the countries imported more than they exported to China). Of these 70 countries, 51 conducted trade deficits with the entire world. In any ordinary circumstances, the values of these currencies and, especially, the US dollar—the world’s medium currency of trade—would devalue against China’s renminbi. However, Beijing has long taken extensive and wildly successful measures to fix the value of its currency against the dollar, preserving a value of around 7 to 8 renminbi to the dollar for several decades (Mertens and Schultz, 2017). This outcome has been no easy victory, requiring the PRC to reinvest vast proportions of its profits into the world economy and foreign nations in the form of bond purchases, direct loans, and the acquisition of foreign currency and assets (Capiello and Ferrucci, 2008). Only through these interventions has Beijing been able to prevent its currency from appreciating and thus protect its export-driven growth model, which hinges on countries having cheap access to renminbi. As a result, countries around the world have taken on large debts from the PRC or auctioned off their assets under a mutually-beneficial arrangement that allows them to keep buying China’s goods (Horn, Reinhart, and Trebesch, 2022). The cumbersome debt agreements that countries have entered into with China offer another plausible explanation for how high import volumes connect to influence. No shortage of research has examined how the PRC employs debt and investment to influence foreign states (Verhoeven, 2022). Beijing has employed debt negotiations around the world to obtain security benefits, from securing territory from Tajikistan to obtaining cheap oil supply from Ecuador (Facebook, 2020; Torres, 2020). Especially with developing countries—whose weaker credit ratings prevent them from issuing sovereign bonds—the terms for direct debt agreements that
provide capital for imported Chinese goods are often opaque or confidential (Trebesch and Horn, 2021). It is not inconceivable that they could contain terms for foreign policy concessions that the PRC seeks.

The relationship between imports, debt, and PRC influence outcomes is presently understudied. In the coming months, Doublethink Lab will release a report examining these relationships in order to uncover the mechanisms by which imports lead to influence.

Conclusion: Imports from the PRC are not Without Side Effects

Whether the PRC import and influence relationship is explained by economic coercion or a more indirect process leveraging debt or investment, policymakers must factor import volumes from China into assessments regarding vulnerabilities to PRC influence. To be sure, policymakers are presently relitigating their countries’ dependencies on China’s imports due to concerns that trade could halt via newfound wars and pandemics. However, this analysis generally focuses on the economic damage that would occur were trade stopped by black-swan events, not on how imports fosters persistent PRC influence over countries’ societies, political systems, and diplomacy (CSIS, 2020). When exploring how Beijing can wield trade as leverage, observers must move beyond incomplete assessments focusing solely on exports to China and the ensuing potential for economic coercion. While economies have benefited greatly from the cheap capital and consumer goods offered by China, policymakers and business leaders alike should consider whether large import volumes from the PRC could be exposing their countries to Beijing’s influence. More research is forthcoming in this area, and with it governments around the world can better understand how to de-risk multifaceted trade relations with China.

Ben Sando is a research fellow at Doublethink Lab and a master’s student in Asian Studies at Georgetown University’s School of Foreign Service. A 2023 Scholar with the Global Taiwan Institute, he is researching the PRC’s diverse methods of exerting influence on foreign states and how civil society combats these operations. His work has been published by the Council on Foreign Relations, The Diplomat, NK News, The Geopolitics, and others.

Liu I-Chen is a Project Coordinator at Doublethink Lab (DTL). Before joining DTL, he worked as a congressional aide and policy analyst in Taiwan’s Legislative Yuan. His current work focuses on China's influence in the Indo-Pacific region, collaborating with local CSOs to investigate and raise awareness about influence operations.

Notes


The Demise of Diplomatic Ambiguity: Parsing South Korea’s Estrangement From China

By Matthew Fulco

(Image: The Ohio-class US nuclear-powered submarine USS Michigan docked at a port in Busan, South Korea
source: Yoonhap News Agency)

Introduction

In July, the US Ohio-class ballistic-missile submarine (SSBN) visited South Korea for the first time since 1981. Not one, but two of the 560-foot-long warships—which carried a payload of 24 long-range Trident ballistic missiles—surfaced in South Korean waters (Korea JoongAn Daily, July 24, 2023). From Washington and Seoul’s perspective, the SSBN deployment was a pointed reminder to the mercurial North Korean regime to exercise restraint, but the symbolism of the SSBN visit was not lost on China—Pyongyang’s closest ally. For all its military modernization efforts, Beijing has no effective defense against the Ohio-class sub.
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That South Korea would support the deployment of the SSBNs to its territory illustrates both its concern about rising North Korean brinkmanship and newfound willingness to risk Beijing’s ire. Indeed, after three decades of stable ties anchored in economic interdependence, major changes are afoot in the South Korea-China relationship. Compared to Japan, which also counts China as its largest trading partner, South Korea has historically been less willing to stand its ground in the face of political pressure from Beijing. On the one hand, Seoul and Beijing have no major territorial disputes, but more importantly, South Korea had previously calculated that its political deference—especially on China’s “core interests” like Taiwan—would encourage Beijing to support denuclearization of the Korean Peninsula, the Republic of Korea’s (ROK) top foreign policy objective.

For many years, South Korea handled Beijing with kid gloves, irrespective of who was in the Blue House. While the left-leaning Democratic Party of Korea (DPK) is traditionally more China-friendly, it was the conservative President Park Geun-hye who attended China’s jingoistic September 2015 military parade. After a summit between Xi and Park, both leaders made a commitment to oppose any unilateral actions that could lead to tension on the Korean Peninsula. The following day, President Park joined Xi and Russian President Vladimir Putin in China’s military parade. South Korea was the only US ally to attend the event (The Korea Herald, September 3, 2015).

Since then, however, the two countries have drifted apart. The catalyst for this change was Seoul’s decision to deploy the THAAD missile defense system in 2017, which China views as a security threat and South Korea deems essential for self-defense. China has repeatedly demanded that South Korea dismantle its THAAD system (Xinhua, September 21, 2017). When those demands failed to bear fruit, it resorted to sanctions against South Korea (The Korea Herald, March 8, 2017). Furthermore, both China’s imposition of a draconian national security law in Hong Kong and its mismanagement of the coronavirus pandemic have hurt its reputation in South Korea (The South China Morning Post, October 20, 2020). It is against this backdrop that the ROK’s anti-China sentiment has surged to an all-time high—a development that will inevitably spill over into Seoul’s foreign policy. According to a 2021 survey conducted by SisaIN, for the first time since the ROK and the PRC normalized relations in 1992, South Koreans view China even more negatively than they do Japan (SisaIN, November 29, 2021).

China’s ruling Communist Party seems oblivious to the existential threat that South Korea feels in the face of surging missile tests by North Korea. The JoongAng Daily noted in June that it takes just two minutes for a North Korean missile to hit Seoul. According to the editorial, “South Korea is technically still at war with North Korea. The government and people must not forget that” (Yonhap News Agency, June 1, 2023).

Concluding that political appeasement and economic engagement with China have failed to pay off, South Korea is taking two significant steps: strengthening its ties with its top security partner, the US, and mending fences with its former rival, Japan. The implications of Seoul’s estrangement from Beijing could have far-reaching implications for geopolitics in broader the Indo Pacific region.
An Accelerating Unwinding

Although fundamentals in the South Korea-China relationship have been shaky for several years, it is only in the past few months that tensions between the two nations have reached an impasse. It began in April when South Korean President Yoon Suk-yeol told Reuters in an interview that “the Taiwan issue is not simply an issue between China and Taiwan, but, like the issue of North Korea, it is a global issue.” Yoon’s comments came in the context of discussion about Russia’s invasion of Ukraine as well as the heightened risk of a nuclear war on the Korean Peninsula. In March, North Korea said it simulated a tactical nuclear missile attack on South Korea with a ballistic missile launch. Analysts say that the decision to test an air burst of a tactical nuclear weapon—which maximizes the warhead’s destructive power—represents a threat to attack major South Korean cities (The Korea Herald, March 20, 2023). Against this backdrop of escalating tensions, Yoon warned that a conflict in the Korean Peninsula would not just involve the two Koreas, rather it would culminate in “the entire Northeast Asia [turning] to ashes” (Reuters, April 19, 2023).

Chinese media and scholars reacted angrily to Yoon’s comments. In general, rather than acknowledge the basis for Seoul’s security concerns, CCP discourse accused the ROK of deliberately partnering with the US to “encircle” China (Global Times, September 8, 2022). As Sohu opined, “Yoon Suk-yeol’s remarks show that South Korea is increasingly taking the wrongful path of echoing the United States and dragging itself, step by step, into a dangerous situation” (Sohu, April 20, 2023). Sina accused Yoon of trying to bind Seoul’s foreign policy to the US even if it offends China, stating that “the lower Yoon kneels, the faster retribution will come” (Sina, April 21, 2023). Yang Danzhi, a researcher at Renmin University’s National Security Research Institute, wrote that by “using the Taiwan issue to speak out against China,” the Yoon Suk-yeol administration is “following the United States strategically.” Along with Seoul’s rapprochement with Japan, “this undoubtedly shows that [South Korea] intends to join the dangerous trend of encircling China” (China.com.cn, April 26, 2023).

In a bid to pressure the Yoon administration, Beijing has tried to woo the South Korean opposition, whose conciliatory stance towards China generally fails to capture the views of median voters. According to the Pew Research Center’s June 2022 survey, 80 percent of South Koreans have an unfavorable view of China, among the highest that figure has ever been (Pew Research Center, June 29, 2022). During a meeting with DPJ leader Lee Jae-myung in early June, Chinese Ambassador to South Korea Xing Haiming urged Seoul to reject “outside interference” in its relations with China, adding that “those who bet that China will lose out [to the US] will certainly regret it later” (The South China Morning Post, June 9, 2023).

Xing’s provocative remarks resulted in him being summoned by the South Korean Foreign Ministry, which warned the ambassador that his “unreasonable and provocative remarks” could be seen as interfering in South Korea’s domestic politics. "There are diplomatic norms, and the role of an ambassador is to enhance friendship,

Anonymously citing a “key” government official, local media reported soon thereafter that South Korea was pivoting to a “hardline stance” in its relations with China following acrimonious meetings between officials from the two countries. The official said that South Korea plans to reduce its reliance on Chinese supply chains—especially battery materials—and in general de-risk from the Chinese economy (The South China Morning Post, June 13, 2013).

**Fraying Economic Ties**

In recent years, China has leveraged South Korea’s economic dependency to pressure Seoul into making political concessions. As a response to the installation of the THAAD missile defense system, in 2017 Beijing imposed sanctions that cost South Korea’s tourism industry an estimated $15.6 billion and devastated the Chinese branch of Korean conglomerate Lotte (The Asan Forum, May-June 2023). The company eventually withdrew from the Chinese market altogether in 2022 (The Korea Times, May 24, 2022).

China’s weaponization of economics initially appeared to achieve Beijing’s desired outcome. Shortly after taking office, then President Moon Jae-in sought to assuage China’s security concerns and get Beijing’s help with North Korea. He thus proposed the “Three Nos” policy: no additional THAAD deployment, no participation in the US’s missile defense network, and no establishment of a trilateral military alliance with the US and Japan (Hankyoreh, November 2, 2017).

Yet Moon’s hopes for Beijing to facilitate reconciliation between the two Koreas were never fulfilled. Against the backdrop of fraying relations with Washington, Beijing remained reluctant to revise its North Korea policy as it saw no strategic benefit in supporting Seoul and Washington’s denuclearization agenda. As Xi Jinping stated in a 2023 address to the National People’s Congress, “Western countries, led by the United States, have implemented all-around containment and suppression of China” (The South China Morning Post, March 7, 2023). Without its North Korean buffer, China’s vulnerability to such perceived encirclement would be much greater. At the same time, the greater the threat from Pyongyang, the more Seoul depends on US protection. It is no surprise then, that when Moon left office, relations between the two Koreas were more strained than ever.

In 2022, the effects of Northeast Asia’s shifting geopolitical winds on the South Korea-China economic relationship finally became apparent. South Korea exported more to the US last year than China for the first time since 2004. Buoyed by strong demand for Korean cars from American consumers, Korea’s exports to the US jumped 22 percent to $139.3 billion, while its exports to China fell about 10 percent to $123.2 billion due to weak semiconductor demand. Moreover, given China’s insistence on subsidizing domestic industry as part of its “Made in China 2025” industrial plan, its imports of Korean machinery and precision tools have fallen sharply

Rapprochement With Japan

Ironically, as South Korea’s relations with China fray, its ties with Japan are improving dramatically. Although President Yoon vowed to boost ties with Tokyo on the campaign trail, it is easier said than done given the resistance of the Japan-skeptical DPJ. South Korea’s opposition has tried to sabotage Yoon’s efforts. After Yoon’s breakthrough summit with Japanese Prime Minister Fumio Kushida in March, DPJ leader Lee Jae-myung said it was “the most humiliating moment” in his country’s diplomatic history (Yonhap News Agency, March, 17, 2023).

Nonetheless, the rising North Korean threat—a common security concern for Tokyo and Seoul—has made the ROK-Japan rapprochement possible despite reservations from the South Korean public (The Japan Times, March 11, 2023). Japan said in late May that it would destroy any North Korean projectile that fell in its territory after Pyongyang warned of a satellite launch (The Asahi Shimbun, May 29, 2023). At the Shangri-Li Dialogue in June, the Japanese and South Korean defense ministers highlighted the importance of bolstering bilateral ties as a way of countering North Korea in their respective plenary speeches. On the event’s sidelines, the Japanese and Korean defense ministers, along with US Secretary of Defense Lloyd Austin, agreed to sync their respective missile warning data sharing systems to better track North Korean missiles (KBS World, June 3, 2023).

The trilateral security cooperation particularly rankles China. Prior to Yoon’s March visit to Japan, the Communist Party tabloid Global Times said that the purpose of the visit was “simply to discuss how to form an ironclad trilateral security alliance with the United States to better manipulate the situation on the Korean Peninsula and suppress China” (163.com, March 10, 2023). Yao Zeyu, a scholar at the China Institute of International Studies (CIIS) affiliated with China’s Ministry of Foreign Affairs, says that the moves of the US, South Korea and Japan “are not conducive to promoting the peace process on the Korean Peninsula and will instead reduce opportunities for all parties to cooperate and coordinate on the North Korean nuclear issue.” When addressing the Taiwan issue, she was even less charitable, stating “What deserves even more vigilance is that the US, together with Japan and South Korea, have openly meddled in the Taiwan issue, challenged China’s red line, and raised tension in the Taiwan Strait” (CIIS, May 16, 2023).

Conclusion

At present, there are signs that both South Korea and China want to prevent bilateral relations from deteriorating further. In late June, South Korean Foreign Minister Park Jin said that Seoul would continue to
“strengthen strategic communication to promote friendship between South Korea and China” despite the tense state of bilateral ties. Park added that he supported the view that Beijing can play a positive role in addressing the North Korean nuclear issue (Yonhap News, June 25, 2023). For its part, Beijing has responded cautiously. In an editorial, the Global Times said, “Regardless of the reason, having the willingness to improve relations is always better than exchanging harsh words, but ultimately it depends on the actions of South Korea” (Global Times, June 27, 2023).

Economic ties, meanwhile, remain significant even if they are no longer a catalyst for deepening the bilateral relationship. According to China, at a recent Asia-Pacific Economic Cooperation (APEC) meeting in Detroit, the Chinese commerce minister and South Korea’s trade minister agreed to strengthen cooperation in semiconductor supply chains. Notably, South Korea has not confirmed such an agreement (The South China Morning Post, May 27, 2023).

Yet given Seoul’s and Beijing’s diverging security concerns, their bilateral relationship will likely increasingly resemble the Sino-Japanese relationship—substantial two-way trade, but with selective de-risking and irreconcilable geopolitical differences. Like Japan did a decade ago amid tension over the East China Sea islands, South Korea will deem its national security more important than any economic benefits derived from appeasing Beijing. The key difference for South Korea is that its primary security concern is North Korea, and China is a distant second—namely in the context of the Taiwan Strait. For Japan, China is the top concern, and North Korea second. Although the focus of US-South Korea-Japan trilateral security cooperation will be North Korea, the possibility of the allies coordinating on Taiwan cannot be ruled out—and will increase if Beijing ratchets up military pressure on the self-governed island democracy.

Although South Korea might have once been seen as the “weak link” among the US’s treaty allies in the Indo-Pacific—often regarded as the country most susceptible to China’s economic coercion—a gradual paradigm shift is underway in Seoul. The ROK, US, and Japan are uniting to meet the threat from China and North Korea’s strategic alignment. As its old comrade-in-arms from the Korean War, the PRC still maintains a mutual defense treaty with North Korea to this day. Rather than acknowledge its persistent role in enabling the rogue North Korean regime—and alienating Seoul—Beijing will likely continue to interpret the US-South Korea-Japan trilateral security cooperation as “suppression and containment of China.”
Laying Down the Law Under the Sea: Analyzing the US and Chinese Submarine Cable Governance Regimes

By William Yuen Yee

Introduction

In May 2018, the World Bank opened bidding to “all eligible firms from any country” on a $72.6 million submarine fiber-optic cable system that sought to enhance the Internet infrastructure of three Pacific island nations: the Federated States of Micronesia (FSM), Kiribati, and Nauru (World Bank, May 1, 2018). Companies like Japan’s NEC, France’s Alcatel Submarine Networks, and China’s HMN Tech leapt into the procurement frenzy. HMN Tech, formerly known as Huawei Marine Networks, submitted a bid that was 20 percent lower than its competitors and seemed to be in a favorable position to win. But in February 2021, the World Bank...
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canceled the bidding process altogether, invalidating all participants as “non-compliant” with the “required conditions” (Nikkei Asia, March 18, 2021). The procurement contest concluded without an award.

Subsequently, it was later revealed that the World Bank’s decision was largely influenced by US diplomatic pressure. In July 2020, a note from the US State Department warned officials in Micronesia that HMN Tech’s involvement in laying the cable posed a security risk of espionage by the Chinese government. In December 2021—three years after the World Bank initiated the bidding process—the United States, Australia, and Japan announced that they would finance a cable along the same route. In June, manufacturing work on the 1,398 mile-long East Micronesia Cable System was officially underway (US Department of State, June 6). The story of the East Micronesia Cable System is just one example of the intensifying competition between Washington and Beijing to assert their influence over the 800,000-mile ecosystem of undersea cables.

These cables are crucial to the world economy and international communications: 99 percent of intercontinental data traffic, the SWIFT financial messaging network that transfers $5 trillion worldwide daily, diplomatic cables, and military orders traverse these cables (Financial Crimes Enforcement Network, accessed August 3). However, the preeminence of these underwater fiber-optic systems also makes them attractive targets for sabotage and espionage. The US Office of the Director of National Intelligence has labeled cyberattacks against cable landing stations a “high risk” to national security (Director of National Intelligence, September 28, 2017).

Increasingly, policymakers view cables as critical infrastructure that must be protected. But asking whether a particular cable is owned by China Telecom or supplied by HMN Tech is not enough to guarantee a cable’s security from foreign and domestic threats. Another important question is whether the legal regimes of countries provide sufficient protection for the subsea communication lines in their waters. This article will analyze the governance regimes of the US and China, evaluating whether their domestic legal frameworks adequately deter against deliberate damage, comply with the United Nations Convention on the Law of the Sea (UNCLOS), and stipulate flexible policies to facilitate rapid repair in the case of damage. On each metric, both Beijing and Washington fall somewhat short, albeit for different reasons.

The Punishment Does Not Fit the Crime

The legal frameworks governing submarine cables in the US and China each face a distinct set of challenges. In the case of the US, the legal regime is hampered by antiquated and inadequate domestic legislation to protect its submarine cables. Conversely, while the PRC has relatively modern national laws in place, the country’s governance suffers from insufficient enforcement mechanisms.

The most recent US legislation to protect against submarine cable sabotage dates to the Submarine Cable Act of 1888. Under 47 US Code Chapter 2, breaking a cable results in a maximum prison sentence of two years and a $5,000 fine (United States Code, accessed August 3). This penalty offers little deterrence against
prospective cable saboteurs and cannot compensate for the cost of repairs, which average between $1 and $3 million (International Cable Protection Committee, accessed August 3).

On the other hand, China does not have a strong track record of enforcing its laws. Under the “Regulations on the Protection of Submarine Cable Pipelines,” Beijing imposes different financial penalties depending on the type of criminal act. If a cable operator intentionally damages submarine cables or fails to take effective measures to ensure their protection, he will be ordered to cease operations and be subjected to a maximum fine of 10,000 RMB ($1,385) (State Council, January 9, 2004). Cable operators who lay submarine cables and pipelines without proper authorization face the harshest penalty, incurring a fine of 200,000 RMB ($27,700) (State Council, August 26, 1992). Despite these relatively robust measures, Beijing’s more modern legal framework has not achieved much success due to a lax record of enforcement; between 2008-2015, China averaged 26 cable faults each year, the highest of any nation in the world (Submarine Cables Protection and Regulations, 2021).

Although China has taken steps to improve its enforcement mechanisms, their long-term impact remains to be seen. In 2020, the China Coast Guard launched a special operation called “Deep Sea Defender 2020” in which it investigated potential threats to cables like sand mining, drilling, anchoring, and bottom trawling. In September 2021, the agency announced the seizure of a ship suspected of breaking a military communication cable (China Coast Guard, November 15, 2021).

Examples of strong laws and robust enforcement exist elsewhere in the world, from which both Washington and Beijing can draw lessons. In New Zealand, willfully or negligently damaging a submarine cable results in a fine of up to 250,000 NZD ($152,530 (New Zealand Legislation, October 28, 2021). In Australia, the offense carries a maximum penalty of three years’ imprisonment and a fine of 40,000 AUD ($26,550) (Australian Federal Police, August 21, 2021). In August 2022, Singapore imposed three fines totaling 300,000 SGD ($220,000) on a private construction company for damaging multiple telecommunication cables while carrying out sheet piling works. [1]

**Inconsistencies With UNCLOS**

Both the US and China also have domestic regulations that are inconsistent with the UN Convention on the Law of the Sea, the international agreement often described as the “constitution of the oceans.” China embraces an excessively liberal interpretation of the rights of coastal states, while the US lacks national legislation making damage of a submarine cable a punishable offense. Both countries also require cable laying ships to obtain permits before initiating operations in their respective waters, which contravenes Article 58 of UNCLOS.

China subjects the delineation of cable routes to the consent of the coastal state, although UNCLOS does not allow this. Under Article 79(3), “the delineation of the course for the laying of such pipelines on the continental
shelf is subject to the consent of the coastal State," and no such requirement is mentioned for subsea cables
(United Nations Convention on the Law of the Sea, accessed August 3). This legal distinction reflects the
disparate environmental impacts of a broken cable and a broken pipeline, the latter of which is far less
ecologically benign. Under the “Implemented measures for the Provisions Governing the Laying of Submarine
Cables and Pipelines” (铺设海底电缆管道管理规定实施办法), foreign companies seeking to lay cables
and survey cable routes on China’s continental shelf must notify the nation’s State Oceanic Administration, and
all routes must receive the express consent of Chinese authorities (Ministry of Natural Resources, August 26,

The US also has domestic laws that are inconsistent with UNCLOS provisions. While Washington has not
ratified the international agreement, US administrations have consistently treated the international treaty and
its provisions as customary international law (US Embassy and Consulate in Vietnam, July 21, 2020). Article
113 of UNCLOS mandates that all states must adopt laws that define the breaking of a submarine cable
“willfully or through culpable negligence” as a punishable offense. As previously mentioned, the US has not
updated criminal penalties for cable faults for over 130 years—since the Submarine Cable Act of 1888.

Permits, Permits, Permits

Both countries impose strict permit requirements that run counter to UNCLOS. The licensing measures of both
states highlight their prioritization of national security considerations, but these regulations do not come without
cost. Article 79(2) of UNCLOS empowers states to adopt “reasonable measures” in exploring the continental
shelf and the exploitation of its natural resources, although such measures should not “impede the laying or
maintenance of such cables or pipelines” (United Nations Convention on the Law of the Sea, 1982). While
states with licensing requirements might argue that they are necessary to ensure that foreign cable ships are
not engaging in potentially harmful activities, the legal text of UNCLOS explicitly indicates that this remains
outside the scope of their jurisdiction.

The US permitting process is particularly complex. Under the Cable Landing License Act of 1921, all submarine
cable operators must acquire a license from the FCC (FCC, accessed August 3). For cables with significant
foreign ownership—or cables that connect the US with foreign landing points—applications must undergo
review by the Committee for the Assessment of Foreign Participation in the United States Telecommunications
Services Sector, previously known as “Team Telecom” (Federal Register, April 8, 2020). Cables must also
receive a federal permit from the Army Corps of Engineers to evaluate its potential impact on the environment
and any endangered species. [2] This requirement is just at the federal level; it is often necessary to obtain
state and local permits as well. Overall, the combined licensing processes can take up to two years. A 2016
report prepared by an FCC working group on enhancing submarine cable resiliency urged the US government
to streamline its permitting requirements (FCC, June 2016). While many policymakers in Washington
acknowledge the problem posed by such permitting standards, a workable solution that sufficiently balances
legitimate national security considerations remains to be found.
In the case of China, cable-laying providers must first obtain a letter of nonobjection from the Chinese military before they can submit a formal application to land fiber-optic systems in Chinese-controlled territories or waters (Nikkei Asia, May 19). Should a foreign vessel successfully obtain a license and start carrying out any laying and repair activities, however, other burdensome requirements remain. Foreign ships must report their ship names, call signs, and numbers; current positions and previous locations; and satellite telephone numbers to maritime authorities (Baijiahao, August 29, 2021).

Chinese officials have also started requiring cable-laying permits in its exclusive economic zone, the waters that extend between 12 and 200 nautical miles from a state’s coastline. This infringes upon Article 58 of UNCLOS, which affirms the right of all States to “navigation, overflight, and the laying of submarine cables and pipelines, and other internationally lawful uses of the sea related to these freedoms” in the exclusive economic zone (United Nations Convention on the Law of the Sea, accessed August 3). Moreover, Beijing reportedly has a lengthy approval process for cable projects within its “nine-dash line,” an expansive claim over much of the South China Sea that was rejected by an international tribunal at the Hague in 2016 (Nikkei Asia, May 19).

In addition, the PRC has stringent cabotage laws that strongly preference domestically flagged and domestically crewed vessels for submarine cable installation and repair. Under Article 70(6) of the Marine Environment Protection Law, foreign vessels must obtain prior approval to enter China’s territorial sea to repair, adjust, or remove its subsea cable lines (National People's Congress, 1982). That said, foreign maintenance ships may act where urgent repairs are required for damaged cables laid on China’s continental shelf, provided that such operations do not “violate China’s sovereign rights and jurisdiction” (State Council, January 20, 1989).

Such bureaucratic requirements can significantly impede the maintenance of broken cables. Between 2005 and 2009, there were 19 cable faults caused by fishing vessels in China’s EEZ in the East China Sea, and repairs were delayed by a couple of weeks due to Beijing’s requirements (Submarine Cables: The Handbook of Law and Policy, 2014). China is not likely to remove such requirements in the near future. The China Academy of Information and Communications Technology—part of the influential Ministry of Industry and Information Technology—published a white paper in 2018 that recommended establishing a security review process for foreign enterprises which aim to partake in China’s submarine cable construction environment (China Academy of Telecommunication Research of MIIT, August 2018).

Beijing’s cumbersome permitting processes have caused some multinational companies to rethink plans to lay subsea internet cables crossing the South China Sea. Examples include the Meta-backed Echo and Bifrost subsea cables, scheduled for completion in 2024. Meta aims to establish the first transpacific cables that chart a new route through the Java Sea (Meta, March 28, 2021). By the end of 2024, a consortium of companies including Meta, Google, and Japan’s NTT aim to complete Apricot, a 7,439-mile cable that passes through the waters of the Philippines and Indonesia. One executive involved in the cable projects noted that "over the past two to three years, we’ve been struggling with the permit acquisition, particularly for the territorial waters
claimed by China” (Nikkei Asia, May 19). For many corporations, navigating China’s regulatory environment has become a major challenge to implementing cable routes that traverse its claimed waters.

Arguably, these permitting measures might be relevant to safeguarding national security interests, especially given the sensitivity of critical infrastructure like subsea cables. But such laws require difficult tradeoffs. Current regulations increase costs, slow installations, and can consequently delay repairs of much-needed Internet access. These policies contradict the recommendations of the International Cable Protection Committee, an international non-profit organization that promotes the protection of the world’s submarine cables. [3]

Conclusion

The US and China are not alone in the need to modernize their submarine cable regulatory provisions. The same is true for the UNCLOS framework, which still fails to address several critical issues. For example, deliberate attacks on cables lying outside territorial seas are unlikely to be crimes under international law. [4] Additionally, coastal states have no legal obligation to adopt laws protecting submarine cables in their territorial seas. [5]

If UNCLOS does not update its cable governance regulations to ensure adequate national security protections, states will take their own steps to do so, and the trend of a fragmented undersea cable landscape is likely to persist. This past March, the US House of Representatives passed the Undersea Cable Control Act, which would require the White House to develop a strategy to prevent “foreign adversaries” from acquiring American-made goods and technologies used in developing undersea cables, as well as establishing agreements with allies and partners to do the same (US Congress, accessed August 3).

The domestic regulations within the US and China are particularly significant given the importance of both countries to the international submarine cable market. State-owned China Telecom has a network of 33 submarine cables that connect 72 countries, and the US boasts 88 FCC-licensed systems of the 400 total submarine cables worldwide (China Telecom Americas, accessed June 29; Submarine Networks, accessed August 3). As policymakers in both capitals start to analyze, review, and update their respective legal regimes, the regulatory frameworks of subsea cables will remain a critical space to monitor.

William Yuen Yee is a research assistant with the Columbia-Harvard China and the World Program and a consultant for the Rhodium Group. He is the 2022 Michel David-Weill Scholar at Sciences Po, where he is a master’s candidate in International Governance and Diplomacy.

Notes


