



I. Overview

Over the past years, the South China Sea has become an area of rising tensions over claimants' assertions of ownership and usage. A nest of controversial territorial debates over waters central to the livelihoods of all nations involved, economically, environmentally, and diplomatically, the question of the South China Sea is one of the most important current global issues to the international community.

II. The Region

The South China Sea is the largest marginal sea of the Pacific Ocean. The countries bordering the South China Sea are China, Vietnam, Cambodia, Thailand, Singapore, Malaysia, Brunei, the Philippines, Indonesia, and Taiwan. The sea also consists of over 250 islands and archipelagos, the most significant of which are the Spratly Islands, Paracel Islands, Pratas Islands, Macclesfield Bank, and Scarborough Shoal. The South China Sea also includes the Karimata and Malacca Straits and the Strait of Taiwan.



III. Natural Resources

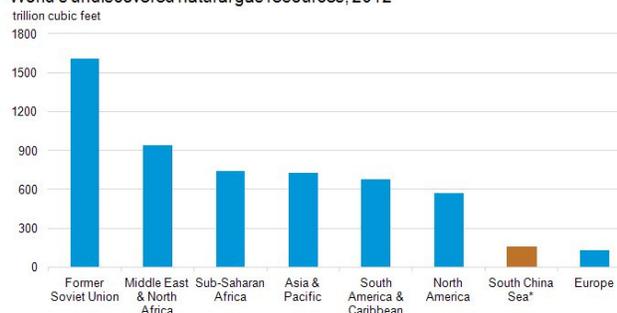
The most valuable resources known to be found within the sea are crude oil and natural gas. The South China Sea holds around 11 billion barrels of oil and 190 trillion cubic feet of natural gas but neither of these numbers have been confirmed. Although this research has not

been proven, the Chinese National Offshore Oil Company estimated that the area holds over 125 billion barrels of oil and 500 trillion cubic feet of natural gas.

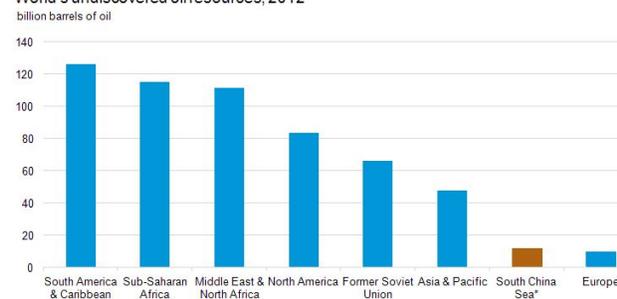
The reserves known to exist in the region is controversial amongst claimant nations, and has been the cause of tensions in various situations. Given these tensions, only some countries have begun exploiting the natural resources in

this region. Nonetheless, due to the lack of division of the sea, doing so could result in a multinational conflict and even erupt to the war, therefore pacific division of the territory should be accomplished to avoid any international warfare.

World's undiscovered natural gas resources, 2012



World's undiscovered oil resources, 2012



IV. Economics

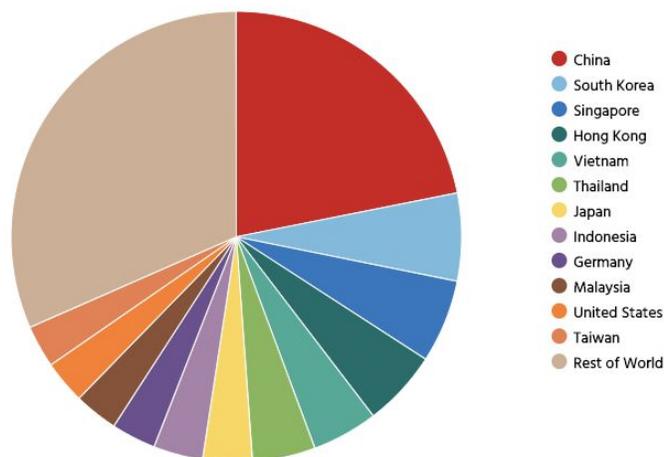
The South China Sea is home to several key straits, the Karimata, Malacca, and the Taiwan Straits, and waterways essential for international and domestic trade. The region plays an immense role in the budding economies of nearby nations and the globe overall. Recently, the

United Nations Conference on Trade and Development (UNCTAD) estimates that roughly 80 percent of global trade by volume and 70 percent by value is transported by sea with 60% of this overseas trade passing through the SCS, an estimated \$3.37 trillion USD worth of commerce travels through the South China Sea annually. For many of the world's largest economies, the South China Sea is

an essential maritime crossroads for trade. Over 64 percent of China's maritime trade transited the waterway in 2016, while nearly 42 of Japan's maritime trade passed through the South China Sea in the same year. The United States is less reliant on South China Sea, with just over 14 percent of its maritime trade passing through the region. Crude oil, commercial products, foodstuffs, goods that pass through these major trade routes are multitudinous and of incredibly high importance for food and energy security, as well as the global economy.

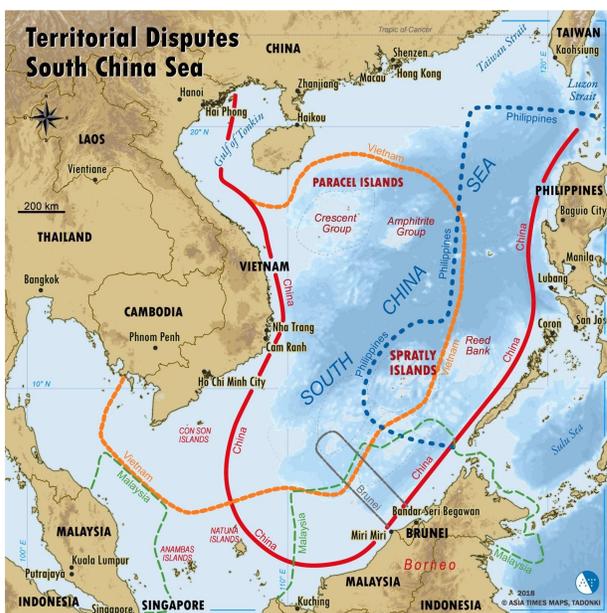
Country	% Share of World GDP	Trade Value through South China Sea (USD billions)	South China Sea Trade As % of All Trade in Goods
United States	24.5	208	5.72
China	14.8	1470	39.5
Japan	6.53	240	19.1
Germany	4.58	215	9.00
United Kingdom	3.46	124	11.8
France	3.26	83.5	7.77
India	2.99	189	30.6
Italy	2.45	70.5	8.14
Brazil	2.37	77.3	23.4
Canada	2.02	21.8	2.67

Percent Share of South China Sea Trade (2016)



V. Territorial Disputes

Given that this region is home to over two billion people and some of the fastest and strongest developing economies in the world, a majority of the world's commercial merchant ships pass through these waters. As a result of this economic significance, numerous of the



bordering countries have attempted to claim ownership of some portion of the sea. Most significantly, in 1947, China claimed over 80% of the SCS with their famous "nine-dash line" and although this has not been internationally agreed upon, they have exerted their economic influence in this region. In addition, Vietnam has laid a claim of sovereignty over the Paracel and

Spratly Islands and therefore believe to be entitled to a large portion of the sea as well.

VI. Current Situation

As recent as 2005, 9 Vietnamese citizens were shot and killed by the Chinese military for trespassing the self-proclaimed SCS region that allegedly belongs to China. These conflicts have only continued to worsen. Similarly, in March of 2012, China detained 21 Vietnamese fishermen in the Paracel Islands, alleging they had been fishing in Chinese waters illegally even though Vietnam has claims of sovereignty over these islands. A month later, China found itself once again in a slight quarrel, this time with the Philippines as they intersected a

Chinese fishing vessel that held illegally harvested coral and other sea life where the US and Philippines hold a joint military exercise during the ensuing stand-off, introducing the western hemisphere into the conflict. At this point, tensions were rife and in order to secure a stronghold in the sea, in June of 2012, Vietnam passed a new maritime law claiming sovereignty over the Spratly and Paracel Islands. China, attempting to maintain their stronghold of the waters, raised the administrative status of the disputed islands to the prefecture level and shortly after, the Philippines named a section of the sea the West Philippine Sea. As a reaction to this, China submits a claim to the UN for dominance over the East China Sea following the purchase of the Senkaku/Diaoyu Islands by Japan's government. Given that the Philippines

found this claim unfair, the country formally initiated arbitration at the International Tribunal for the Law of the Sea at the Hague to combat China's claims. This was the peak of tensions in the region and future economic



actions, such as China commencing to drill for oil in the sea, was met by protests and boycotts that damaged the region's economy. More recently, in 2016, an international tribunal was held at the Hague, the house of the UN's Court of Justice, which ruled against China in the territorial dispute, once again arising tensions amongst the nations, with no country gaining complete dominance over the area.

VII. Guide Questions

- A. What is your delegation's position regarding the South China Sea Conflict?
- B. How has your delegation been economically affected by the tensions in the SCS?
- C. Is your country in favor or against the political division of the sea?
- D. What economic policies would your delegation propose to establish an agreement between bordering nations and lessen tensions?
- E. What other solutions could be implemented to satisfy the agendas of each country and allow them to continue economic development?

VIII. Message from the Dais

Delegates, we wish to remind you that, while this briefing is an information guide, it only scratches the surface of the vast amounts of information that are available for research; nonetheless, if you are looking for a starting point in your research, feel free to consult our bibliography. As such, it is encouraged that you delve deeper into the subject and conduct your own research on the South China Sea Conflict, especially the economic factor, how to lessen political conflict through economic reform, and how the SCS conflict affects your country. Moreover, we're interested in seeing how the contrasting policies within the committee will handle the prospective implementation of economic plans to the benefit of their own country. On another note, position papers will be due on Monday, October 20th at midnight and will be expected to have a length of one to three pages. These must be written in Times New Roman or Arial font with size of 12, one inch margins, double spaced, with a bibliography at the end; no in-text citations will be necessary. Position Papers must be sent to the emails listed down below. When sending the position papers, please ensure that they are



sent as a word document or a pdf. Google docs will not be accepted. If you have any doubts, questions, or concerns, we are more than happy to answer them, so feel free to contact us.

We look forward to seeing you all in committee!

Enrique Carrasco Pérez

carrasco.enrique20@tasisdorado.com

José A. Rodríguez

jose.rodriguez21@sjspr.org

Committee email:

asj.scsconflict@gmail.com



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