



THE GORDON CHANG REPORT

PRESENTED BY THE
PACIFIC RESEARCH INSTITUTE

VOLUME 3, NO. 2

China Annexing the South China Sea—and the Pacific Ocean

by Gordon G. Chang | August 2026

On July 25, *Global Times*, the Chinese tabloid run by *People's Daily*, warned the Philippines that China might build a military base on Scarborough Shoal, which Beijing claims and calls Huangyan Dao.

“China reserves the right to take all necessary measures,” said Chen Xiangmiao in the words of the *Global Times*. Chen, director of the World Navy Research Center at the National Institute for South China Sea Studies, noted that these measures “could include constructing permanent facilities on Huangyan Dao, an exercise of China’s sovereign rights under international law, which permits a state to take measures within its own territory and territorial waters.”¹

China is moving hard against the Philippines in the South China Sea, but now Beijing is setting its sights on an even bigger prize: the Pacific Ocean. Xi Jinping in recent months has become bolder in his attempts to annex the global commons. His actions, consequently, attack freedom of navigation, thereby undermining American interests and the basis of international trade.

The *Global Times* threat of a permanent military base at Scarborough Shoal is not idle. China on May 20 towed a “floating structure” there. The Chinese termed it a temporary facility and claimed they was carrying out activities “including scientific research.”² The South China Sea Institute of Oceanology of the

Chinese Academy of Sciences said it was using the platform for environmental monitoring and sampling and that it was supporting “ecological civilization development.”³

“More Chinese gray-zone shenanigans” is what James Holmes, the first J.C. Wylie Chair of Maritime Strategy at the Naval War College, called the tactics, referring to Beijing’s coercive moves that fall below the threshold of war.⁴

China’s object has since been removed after vigorous protests from the Philippines, which called it an “illegal presence.”⁵ The *Financial Times* reported on June 21 that Manila was concerned that China was seeking to take permanent control of Scarborough. “You have to assume the worst,” Philippine Defense Secretary Gilbert Teodoro told the London paper.⁶

Scarborough has been a flashpoint for decades. Beijing claims as “blue national soil” all the shoals, reefs, islands, islets, and other features as well as all the waters inside its infamous “cow’s tongue,” now defined by ten dashes on official maps. The tongue encloses, among other areas, about 90% of the South China Sea.

Scarborough is inside the cow’s tongue even though it is only 124 nautical miles from the main Philippine island of Luzon and about 472 nautical miles from China’s Hainan. As such, the shoal is well within Manila’s exclusive economic zone, the band of international water between 12 to 200 nautical miles from the shoreline where the coastal state has certain economic and other rights against others.

International law, despite what China’s foreign ministry contends, does not recognize Chinese sovereignty to Scarborough. In July 2016 the Permanent Court of Arbitration in the Hague ruled against Beijing in *Philippines v. China*.⁷

Manila initiated the arbitration after China seized control of Scarborough in 2012. Early that year, Philippine authorities had lawfully detained Chinese poachers and China’s vessels immediately swarmed the feature.

Washington arranged a tentative agreement for both sides to withdraw their craft, but only Manila complied. From July of that year, Beijing has been in firm control of Scarborough by restricting access to the feature. The Obama administration did not oppose the audacious Chinese seizure even though Beijing had violated the deal Washington had brokered.⁸

The *Philippines v. China* decision did not award sovereignty of any feature to either party and did not delimit boundaries between the two states, but it did invalidate China’s claims to the South China Sea. The tribunal held there was no evidence that China had exercised control over most of the islands and waters in that body of water and that in any event China’s claims had been extinguished by the U.N. Convention on the Law of the Sea. The case also held that China had without justification restricted the traditional fishing rights of Filipinos at Scarborough.

China ratified UNCLOS, as the pact is known, in 1996 but does not recognize the validity of the arbitration. Beijing, with virtually no legal support, has consistently maintained that

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the arbitral decision “is naturally illegal, null, and void.”⁹ On the tenth anniversary of the ruling, in July of this year, Chinese state and Party media launched a sustained propaganda campaign against the decision, including the release of an ugly video portraying Filipinos as sub-humans.¹⁰

The award was not illegal, but the Obama administration did not rally to the defense of the Philippines. Secretary of State John Kerry weakly urged Manila to negotiate with China rather than enforce its rights and defend what was clearly Philippine territory.¹¹

“I’m pretty frank with people: I don’t think that we’d allow the U.S. to get dragged into a conflict over fish or over a rock,” a “senior U.S. military official,” speaking to the *Washington Post* on the condition of anonymity in 2012, said. “Having allies that we have defense treaties with, not allowing them to drag us into a situation over a rock dispute, is something I think we’re pretty all well-aligned on.”¹²

This was not just a “rock dispute,” however. The shoal is especially strategic: It guards the mouths to both Manila and Subic bays.

Moreover, vital American interests were then, as now, at stake. “The South China Sea is the key waterway that allows American naval forces to transit to and from allied nations in northeast Asia, southeast Asia, the Middle East, and Australia,” James Fanell of the Geneva Center for Security Policy and co-author of *Embracing Communist China: America’s*

Greatest Strategic Failure told me. “The linchpin of control over that body of water today is Scarborough Shoal.”¹³

“The Obama administration’s decision to allow China to take possession of Scarborough from our treaty ally Philippines emboldened China’s Communist Party to take control of the entirety of the South China Sea,” Fanell, also a former U.S. Navy captain who served as director of Intelligence and Information Operations at the U.S. Pacific Fleet, pointed out.¹⁴

Since then, there have been dangerous confrontations at Scarborough Shoal as Chinese forces continually try to intimidate a plucky Philippines. So what should Washington do?

“Now that China has decided to escalate by threatening a permanent structure, the U.S. can no longer sit on the sidelines,” argues Fanell. “The first step should be the U.S. Seventh Fleet establishing a permanent joint naval-air patrol with the Philippine navy and other forces to prevent China from building an artificial island. The U.S. and Philippine coast guards can establish a presence inside the shoal while the U.S. Navy maintains a permanent presence over the horizon.”¹⁵

Fanell is correct that the U.S. must get involved. China’s regime is not content with annexing just the South China Sea and other peripheral waters. Xi is now trying to exert sovereignty over the Pacific Ocean.

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On June 6, China's Ministry of Transport launched "a special maritime law enforcement operation in the waters east of Taiwan Island." Vessels from the Fujian and Guangdong Maritime Safety Administrations, the East China Sea Navigation Support Center, and the East China Sea Rescue Bureau took part, sailing eastward through the Bashi Channel, which separates Taiwan from the Philippines.¹⁶

The enforcement operation lasted five days during which the Chinese ships, according to Beijing, inspected 198 vessels.¹⁷

All the Chinese ships taking part in the operation were civilian, which emphasized the point that Beijing was enforcing its laws over waters it considered part of the People's Republic of China.

These waters were east of the main island of Taiwan and beyond 12 nautical miles from its shores. Coastal states can claim as territorial—sovereign—water everything within 12 nautical miles of their shorelines. This means China, by its actions, was claiming as sovereign a portion of the Pacific recognized by the rest of the world, pursuant to UNCLOS and customary international law, as part of the global commons.

"This special law enforcement operation is a sovereignty declaration with both legal significance and political signaling," the semi-official *Global Times* declared on June 7. "It confirms that China has indisputable jurisdiction, law enforcement authority, and management rights over Taiwan and its surrounding waters."

"The message behind this action is crystal clear: In the face of any heinous acts that infringe on China's territorial sovereignty and harm China's national interests, China will act according to the law, never yield an inch, and fight for every inch," *Global Times* added.¹⁸

To eliminate any doubt as to the extent of Beijing's ambition, Chinese propaganda organs commented on the significance of the action. For instance, Yuyuan Tiantian, a social media account associated with the official China Central Television, called the operation a "landmark development" that established a "coastal governance model" around Taiwan. "From now on," Yuyuan Tiantian stated, "the waters east of Taiwan are our 'coastal waters'—the ocean where we are present, exercise jurisdiction, and govern."¹⁹

"What's different is how openly Beijing has described this most recent maritime expansion," wrote Ray Powell of Stanford University's Gordian Knot Center for National Security Innovation.²⁰

China's ambitions are growing fast. Beijing admitted that the Taiwan Strait was international water until 2018, when it asserted that the waterway was domestic. Moreover, in August 2023 China's Ministry of Natural Resources updated its infamous nine-dash line claim to almost all of the South China Sea by adding a tenth dash east of Taiwan,²¹ suggesting it had claims on Pacific waters beyond the 12-nautical-mile limit.

Beijing is now trying to break through what it calls the "First Island Chain," a line of islands with Japan in the north and Indonesia in the south that prevents the Chinese navy and air force from surging into the Pacific. Taiwan sits in the center of this crucial perimeter where the South China and East China Seas meet.

The Pentagon's 2026 National Defense Strategy promises "a strong denial defense along the First Island Chain." As Stanford's Powell pointed out just after China's June operation, "The First Island Chain has been breached."²²

That breach can lead to war. China's assertion of jurisdiction over a still-undefined portion

of the Pacific Ocean adjacent to Taiwan is, as Carl Schuster and Robert Eldridge write in the *Taipei Times*, “a potential stepping stone toward declaring a maritime exclusion zone around Taiwan.”²³ “China’s tenth dash was not just a dash,” writes Ray Powell. “It was a cage.”²⁴

What must the United States do in the waters east of Taiwan? “Our response should be to place the U.S. Coast Guard at the forefront,” Holmes, the Naval War College scholar, argues. “China makes its coast guard the vanguard of its maritime strategy in the South China Sea and seems to be doing the same east of Taiwan. We should follow suit, deploying our coast guard with regional coast guards to rebut China’s sovereignty claims.”²⁵

Fanell agrees with Holmes about the use of the U.S. Coast Guard. Specifically, he sees combined operations with Taiwan’s coast guard and American port calls in Taiwan’s northeast port of Su’ao until China “walks back its claim to these waters.” “The policy of reciprocity must be backed up by real action, not just words,” argues Fanell.²⁶

This solution may already be in process. “The U.S. Coast Guard just moved a squadron of fast-response cutters from the Middle East to Southeast Asia,” Holmes points out. “That’s a good start.”²⁷

Ultimately, more will be needed. Fanell suggests that the U.S. Seventh Fleet “provide indirect, over-the-horizon defensive support should China decide to escalate the situation.”²⁸

After a clash on July 20 at Second Thomas Shoal,²⁹ another contested feature in the South China Sea, the U.S. sent the *George Washington* and its Carrier Strike Group to patrol that body of water along with Philippine and Japanese ships.³⁰

That’s an important step, but the patrol was only temporary. Chinese forces—the gray hulls of the Chinese navy, the white ones of the Chinese Coast Guard, and the blue hulls of the maritime militia—are present in the South China Sea on a continuous basis.

“If the war in Ukraine has taught us anything, it is that confronting adversaries at the first point of conflict is important, otherwise the enemy will fill the vacuum,” Fanell notes. “If the U.S. fails to defend our national interests at Scarborough today, we can be sure that America will be facing a violent People’s Liberation Army at Guam, Hawaii, or even our West Coast in the not-too-distant future. The cost of confrontation only goes up over time.”³¹

“We challenge excessive maritime claims around the world,” posted America’s ambassador to the Philippines, Lee Lipton, as the *George Washington* was patrolling the South China Sea in July.³² If the United States has had any consistent foreign policy over the course of 250 years, it has been the defense of international water and airspace. Now, China is trying to close off the global commons. The challenge to America—and all other seafaring nations—is direct and unmistakable.

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