

The South China Sea as an Asymmetric Governance Space in ASEAN-China Relations

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Abstract

This paper approaches the South China Sea as an asymmetric governance space in ASEAN-China relations, rather than viewing it merely as a collection of overlapping sovereignty disputes. Drawing on a combined framework of regional institutionalism, hedging strategies of small and middle powers, and the behavior of a rising great power, the study examines how ASEAN and China interact under conditions of persistent power asymmetry. The findings indicate that ASEAN has not pursued hard balancing or full bandwagoning toward China; instead, it has opted for asymmetric governance through soft, consensus-based, and non-legally binding institutional mechanisms, most notably the Declaration on the Conduct of Parties in the South China Sea (DOC) and the ongoing negotiation process of the Code of Conduct (COC). These mechanisms have contributed to maintaining relative stability and preventing conflict escalation, despite their inability to resolve sovereignty disputes at their root. From China's perspective, selective institutional engagement enables Beijing to stabilize the regional environment while preserving strategic freedom of action. The paper makes a theoretical contribution by conceptualizing the South China Sea as an asymmetric governance space, thereby illuminating both the possibilities and the limitations of ASEAN-led regional governance in the context of intensifying great-power competition.

Keywords: asymmetric governance, ASEAN-China relations, South China Sea.

1. Introduction

The South China Sea constitutes one of the most strategically significant and complex spaces in Southeast Asia, where overlapping sovereignty disputes, great-power competition, and ASEAN-led efforts to construct a regional order intersect. For decades, the South China Sea has been approached primarily as a security hotspot or a collection of unresolved territorial disputes. However, such perspectives do not fully capture the long-term nature of ASEAN-China interactions, nor do they adequately reflect the role of regional institutional mechanisms in sustaining relative stability in this area (Buszynski, 2003; Hayton, 2014). Against the backdrop of pronounced power asymmetry between China and ASEAN member states, the absence of large-scale military confrontation in the South China Sea raises a critical scholarly question: How has ASEAN managed this asymmetric relationship? Studies on Southeast Asian

regional order emphasize the role of the “ASEAN Way”, particularly norms of non-interference, consensus-building, and preventive diplomacy, in fostering an embryonic security community capable of exercising self-restraint in conflict situations (Acharya, 2001; Caballero-Anthony, 2022). At the same time, China’s rise and adjustments in its grand strategy have posed significant challenges to ASEAN centrality in the evolving regional order (Goldstein, 2005; Sutter, 2005).

Since the end of the Cold War, ASEAN has refrained from pursuing hard balancing or full alignment with any major power, instead adopting flexible strategies aimed at adapting to an increasingly competitive great-power environment (Goh, 2007; Kuik, 2021). In the context of the South China Sea, this approach is most clearly reflected in the establishment and operation of institutional mechanisms such as the Declaration on the Conduct of Parties in the South China Sea (DOC) and the ongoing negotiation process of the Code of Conduct (COC). These mechanisms are designed to manage conflict rather than to resolve sovereignty disputes at their core (ASEAN, 2012; Emmers, 2007). These three theoretical strands interact in a complementary manner. Regional institutionalism explains the role of ASEAN-led mechanisms, hedging theory accounts for ASEAN’s strategic behavior under uncertainty, and power asymmetry provides the structural context shaping the actions of both ASEAN and China. Together, they form an integrated framework for analyzing the South China Sea as an asymmetric governance space.

Against this backdrop, the present study proposes an analytical framework that conceptualizes the South China Sea as an asymmetric governance space in ASEAN–China relations. Building on this approach, the paper seeks to elucidate how ASEAN employs soft institutional mechanisms to manage relations with a rising great power, as well as the implications of this governance model for ASEAN centrality and regional order in the context of intensifying great-power competition (Acharya, 2014; Zha, 2023).

2. Literature Review

Scholarship on the South China Sea and ASEAN–China relations constitutes a multi-layered academic field that can be broadly categorized into five main strands: (i) regional order and the role of ASEAN; (ii) China’s behavior and strategic logic; (iii) dispute management and institutional arrangements in the South China Sea; (iv) adaptive and hedging strategies of small and middle powers under great-power competition; and (v) contemporary studies on regional perceptions and the Indo-Pacific strategic environment.

First, the literature on regional order and ASEAN centrality emphasizes the norms, institutions, and practices associated with the “ASEAN Way”. Acharya (2001) provided the theoretical foundation by conceptualizing ASEAN as an emerging security community in which consensus, restraint, and preventive diplomacy play a central role. Subsequent studies demonstrate that ASEAN functions not merely as a cooperative forum but as a regional governance institution operating within a competitive power environment (Curley & Thomas, 2007; Jones & Smith, 2006). More

recent research highlights growing pressures on ASEAN centrality amid shifts in the regional security environment and intensifying great-power competition (Caballero-Anthony, 2022; Qiao-Franco et al., 2024; Southgate, 2025).

Second, a substantial body of literature focuses on China's rise and its strategic logic. Seminal studies suggest that China has pursued a strategy of stabilizing its surrounding environment during its rise to avoid triggering strong external balancing responses (Goldstein, 2005; Sutter, 2005). Johnston (2003) and Fravel (2011) further clarified how China combines institutional participation with the preservation of core security interests, particularly in the South China Sea. Other studies point to China's use of soft-power instruments and responsibility-oriented discourse to shape regional perceptions, alongside more assertive measures (Hayton, 2014).

Third, the literature on South China Sea dispute management centers on institutional and legal mechanisms. The Declaration on the Conduct of Parties in the South China Sea (DOC) is widely regarded as a turning point in the institutionalization of conflict management, despite its lack of legal binding force (ASEAN, 2012; Buszynski, 2003). Emmers (2007) emphasized an approach of "managing rather than resolving" disputes, while Beckman and Schofield (2014) proposed legal frameworks for joint development cooperation. More recent studies indicate that the ongoing COC process continues to reflect the structural constraints of institutional governance under conditions of power asymmetry (Lin & Pou, 2025; Paul, 2025; Sihwag, 2025).

Fourth, approaches focusing on adaptive and hedging strategies of small and middle powers help illuminate ASEAN's responses to great-power competition. Goh (2016) and Kuik (2021) argued that hedging enables states to preserve policy autonomy through a calibrated mix of cooperation and precaution. Recent studies extend this argument to the fragmented Indo-Pacific context, where ASEAN must continuously adjust its strategies in response to intensifying U.S.-China competition (Ha & Hung, 2025; Zha, 2023).

Finally, contemporary surveys and studies on regional perceptions and the strategic environment provide important empirical context for theoretical analyses. Reports by Seah et al. (2024) and international media analyses suggest that Southeast Asian perceptions of China and the United States are becoming increasingly polarized, reflecting the fragility of regional consensus (Karmini, 2023; Suruga, 2024). Nevertheless, much of the existing literature continues to approach the South China Sea primarily as a conflict hotspot or an arena of power rivalry, rather than conceptualizing it as an asymmetric governance space. This conceptual gap constitutes the point of departure for the analytical approach advanced in this paper.

3. Theoretical Framework and Methodology

This paper develops an analytical framework that combines three mutually reinforcing theoretical approaches: (i) power asymmetry and hierarchical regional order, (ii) hedging strategies of small and middle powers, and (iii) regional institutionalism and soft security governance. This combination enables a systematic

examination of how ASEAN manages its relationship with China in the South China Sea under conditions of persistent power asymmetry.

First, the power asymmetry and hierarchical order perspective emphasizes that Southeast Asia operates within a regional structure in which great powers possess varying capacities to shape rules and outcomes (Goh, 2007; Mearsheimer, 2001). China's rise, together with its grand strategy aimed at safeguarding core security interests, has generated significant pressure on ASEAN-led governance mechanisms (Goldstein, 2005; Sutter, 2005). In this context, China's behavior in the South China Sea reflects a dual tendency: participation in regional institutions alongside the preservation of flexibility to adjust behavior in accordance with shifts in the balance of power (Fravel, 2011; Johnston, 2003).

Second, the paper applies the hedging framework to analyze ASEAN's responses to major powers. Rather than pursuing hard balancing or full alignment, ASEAN member states have adopted flexible strategies designed to minimize risks, maximize policy autonomy, and avoid entanglement in great-power rivalry (Goh, 2016; Kuik, 2021). In the South China Sea context, hedging is manifested through ASEAN's promotion of inclusive institutional mechanisms, the maintenance of dialogue with China, and the avoidance of commitments that could deepen intra-ASEAN divisions or escalate tensions.

Third, the analysis places emphasis on regional institutionalism and soft security governance, viewing ASEAN as a governance actor rather than a traditional security alliance. Studies of the "ASEAN Way" and security community formation underscore the importance of norms such as consensus, non-interference, and preventive diplomacy in managing conflict (Acharya, 2001; Caballero-Anthony, 2022). Institutional mechanisms such as the DOC and the ongoing COC process are thus understood as tools of conflict management that contribute to maintaining relative stability, even though they do not resolve sovereignty disputes at their core (ASEAN, 2012; Buszynski, 2003; Emmers, 2007).

With regard to methodology, the study adopted a qualitative research design to elucidate patterns of interaction and governance practices in ASEAN-China relations in the South China Sea. The study relied primarily on qualitative analysis of secondary sources, including academic literature, official ASEAN and Chinese documents, and publicly available policy statements. These sources were selected based on their relevance to ASEAN-China interactions in the South China Sea and their contribution to understanding institutional practices and strategic behavior. Analytical interpretation is conducted through thematic coding, focusing on patterns of institutional engagement, conflict management, and strategic adaptation. A qualitative approach is particularly suited to examining norms, institutions, and strategic behavior that are difficult to quantify yet central to the maintenance of regional stability (Acharya, 2001). The research combines three main techniques: analysis of academic literature, analysis of official documents, and case study analysis.

First, academic literature analysis was employed to systematize existing theoretical arguments and debates concerning regional order, China's strategy, and ASEAN's governance role in the South China Sea. This approach situates the research within broader discussions of regional institutionalism, power asymmetry, and conflict management (Buszynski, 2003; Emmers, 2007). Second, analysis of official documents, particularly the DOC, enabled the identification of behavioral norms, principles, and institutional constraints jointly accepted by ASEAN and China in the course of managing disputes (ASEAN, 2012).

Third, the study employed a case study of the Mischief Reef dispute (1995–1999) as a central empirical illustration (Hai, 2009). This case was selected because it represents a critical turning point in ASEAN's response to security challenges posed by China, marking a shift from bilateral handling toward multilateralization and the institutionalization of conflict management (Hai, 2009). Analysis of the Mischief Reef case sheds light on how soft institutional mechanisms are formed and operate under conditions of power asymmetry. Through the combination of these methods, the paper elucidates the operational logic of the asymmetric governance space in the South China Sea within ASEAN–China relations.

4. Findings

ASEAN and the Choice of Asymmetric Governance

The first key finding of the study indicates that ASEAN has not adopted traditional strategies in international relations theory, such as hard balancing or full bandwagoning in its relations with China in the South China Sea. Instead, ASEAN has pursued a model of asymmetric governance, in which power disparities are managed through soft, flexible, and highly consensus-based institutional mechanisms. This choice reflects not only ASEAN's material constraints but also a deliberate adaptive strategy aimed at maintaining regional stability and preserving ASEAN's central role in an evolving regional structure.

From a structural power perspective, ASEAN consists of small and middle powers that lack the collective military capabilities necessary to directly counterbalance a rising great power such as China. Studies of Southeast Asian regional order suggest that hard balancing is not only resource-intensive and difficult to sustain but also carries the risk of exacerbating tensions and deepening intra-ASEAN divisions (Goh, 2007; Mearsheimer, 2001). Under these conditions, ASEAN has opted to avoid direct confrontation, while also refraining from full alignment with China, as such alignment could undermine its strategic autonomy and weaken ASEAN centrality (Jones & Smith, 2006; Natalegawa, 2018).

For example, ASEAN's response to the 2012 Scarborough Shoal standoff illustrates this approach. Rather than adopting a unified coercive stance, ASEAN prioritized diplomatic engagement and avoided escalation, reflecting internal divisions but also a shared preference for stability over confrontation. This episode demonstrates how asymmetric governance operates in practice: consensus-based diplomacy allows ASEAN to maintain collective engagement while avoiding strategic overcommitment.

Instead, ASEAN has drawn upon the norms and practices associated with the “ASEAN Way”, including consensus-building, non-interference, and preventive diplomacy, to construct a space of soft security governance in the South China Sea (Acharya, 2001; Caballero-Anthony, 2022). This approach enables ASEAN to shift its focus away from resolving sovereignty disputes at their core—an objective that remains highly elusive under conditions of power asymmetry—toward risk management, conflict prevention, and the maintenance of relative stability. As such, asymmetric governance should not be interpreted as an abdication of responsibility, but rather as a strategic choice aligned with ASEAN’s capabilities and priorities.

Another important factor shaping this choice is the diversity of interests and strategic perceptions within ASEAN. Member states vary significantly in terms of economic dependence, levels of involvement in South China Sea disputes, and perceptions of China, making the formation of a unified and hardline stance particularly difficult (Curley & Thomas, 2007; Seah et al., 2024). In this context, soft and flexible institutional mechanisms allow ASEAN to sustain a minimum level of consensus while avoiding the overt exposure of internal divisions. Asymmetric governance thus functions as an intermediate solution that enables ASEAN to maintain a collective voice without being drawn into confrontational dynamics that could undermine internal cohesion.

ASEAN’s choice of asymmetric governance can also be understood as a concrete manifestation of hedging strategies in its relations with major powers. The hedging literature suggests that small and middle powers often combine cooperation and precaution to maximize strategic flexibility in an environment of great-power competition (Goh, 2016; Kuik, 2021). In the South China Sea, ASEAN promotes dialogue and cooperation with China through institutional frameworks, while simultaneously upholding principles and norms designed to constrain escalatory behavior. This allows ASEAN to “soften” power asymmetries not through material capabilities but through normative and institutional governance.

More importantly, asymmetric governance serves ASEAN’s long-term strategic objective of maintaining and reinforcing ASEAN centrality within the regional architecture. By initiating and leading institutional processes related to the South China Sea, ASEAN asserts its role as a regional convenor and coordinator, even in the absence of strong coercive power (Acharya, 2014; Qiao-Franco et al., 2024). China’s willingness to participate in ASEAN-led mechanisms, albeit with limited commitments, indicates that asymmetric governance continues to provide an institutional space in which ASEAN can shape great-power behavior, at least in terms of conflict management.

At the same time, this finding highlights the conditional and fragile nature of ASEAN’s asymmetric governance strategy. Its effectiveness depends heavily on China’s strategic restraint, the maintenance of intra-ASEAN consensus, and the broader dynamics of great-power competition in the Indo-Pacific (Ha & Hung, 2025; Zha, 2023). Nevertheless, under current conditions, asymmetric governance remains

the most viable strategy for ASEAN to manage its relationship with China in the South China Sea without sacrificing regional stability or its central role in the regional order.

DOC-COC as Instruments of Conflict Management

The second key finding suggests that the DOC and the COC process should not be assessed primarily against the criterion of dispute resolution, but rather understood as instruments of conflict management within a context of sustained power asymmetry between ASEAN and China. As soft institutional mechanisms, the DOC-COC framework operates by establishing behavioral norms, creating channels for dialogue, and maintaining relative stability, rather than imposing legally binding obligations that could intensify confrontation.

First, the DOC marked a significant shift from bilateral handling toward the multilateralization and institutionalization of approaches to the South China Sea. While the DOC does not resolve overlapping sovereignty claims, it sets out basic principles such as restraint, non-use of force, and the promotion of confidence-building measures (ASEAN, 2012). A substantial body of scholarship indicates that the core value of the DOC lies in its normative function rather than its legal effectiveness: it generates “behavioral expectations” and a shared language for conflict management in the absence of a binding agreement (Buszynski, 2003; Emmers, 2007).

A concrete illustration can be observed in the implementation of the DOC following incidents such as the 2014 oil rig crisis. While tensions escalated, both ASEAN and China continued to reference DOC principles, including restraint and dialogue, indicating that the mechanism functions as a normative anchor even in periods of crisis. Within the framework of asymmetric governance, the DOC enables ASEAN to soften power asymmetries by shifting the focus from sovereignty disputes to the governance of behavior. This approach is consistent with the practices of the “ASEAN Way”, in which consensus and preventive diplomacy are prioritized as means of avoiding escalation (Acharya, 2001; Caballero-Anthony, 2022). The DOC thus functions as a stabilizing mechanism: while it does not fully prevent contentious actions, it contributes to reducing the risk of large-scale armed conflict during periods of heightened tension.

Nevertheless, existing studies also point to the structural limitations of the DOC. Its lack of legal binding force constrains its capacity to regulate the behavior of a rising great power when core strategic interests are at stake (Fravel, 2011; Goldstein, 2005). In this context, the DOC should not be interpreted as a failure of regional institutionalism, but rather as a reflection of a deliberate trade-off: ASEAN accepts a low level of commitment in order to sustain China’s participation and preserve its own central role in regional governance (Jones & Smith, 2006; Natalegawa, 2018).

The COC process has been widely expected to upgrade the DOC; however, the findings indicate that it continues to operate according to a conflict management logic rather than a dispute resolution framework. Recent analyses highlight the protracted nature of COC negotiations, persistent disagreements over content, and continued

ambiguity regarding legal bindingness (Lin & Pou, 2025; Paul, 2025). Under conditions of power asymmetry, ASEAN has limited capacity to push for a coercive or legally binding code without strategic consent from China. Consequently, the COC – much like the DOC – is designed as a behavior-coordination framework aimed at risk management and the reduction of misperceptions, rather than a mechanism for restructuring the legal order of the South China Sea.

From China's strategic perspective, participation in the DOC-COC framework reflects a pattern of selective institutional engagement. China accepts ASEAN-led frameworks to avoid diplomatic isolation and maintain a stable regional environment, while simultaneously avoiding binding provisions that could constrain its future freedom of action (Johnston, 2003; Sutter, 2005). This approach is consistent with the logic of a rising great power: institutions are used as tools for external stabilization while internal power advantages are preserved (Goh, 2007).

Another important finding is that the DOC-COC framework creates an institutional interaction space that enables ASEAN to sustain its central role in regional governance despite limited coercive capacity. By initiating, coordinating, and maintaining these processes, ASEAN positions itself as a normative convenor, thereby preserving its presence and voice in a key regional security issue (Acharya, 2014; Qiao-Franco et al., 2024). Although the substantive effectiveness of the DOC-COC remains contested, their value lies in preventing ASEAN's exclusion from regional security arrangements related to the South China Sea.

At the same time, the study highlights the fragility of conflict management based on the DOC-COC framework. The effectiveness of these mechanisms depends heavily on the strategic restraint of the parties involved and the broader context of great-power competition in the Indo-Pacific (Ha & Hung, 2025; Zha, 2023). As U.S.-China competition intensifies and on-the-ground dynamics become increasingly complex, the DOC-COC risks being reduced to instruments of minimal stabilization rather than foundations for a durable regional order. Nonetheless, in an asymmetric governance framework, the DOC-COC remains the most viable set of tools available to ASEAN for managing conflict in the South China Sea without sacrificing regional stability or its central role in the regional architecture.

China's Strategy in an Asymmetric Governance Space

The third key finding indicates that China approaches the South China Sea as a controlled asymmetric governance space, in which Beijing flexibly combines participation in regional institutions with the preservation of strategic freedom of action. This approach reflects the strategic logic of a rising great power: leveraging institutions to stabilize the surrounding environment in the short term, while avoiding legal constraints that could limit its capacity to shape the regional order in accordance with long-term interests (Goldstein, 2005; Sutter, 2005).

From the perspective of grand strategy, a substantial body of scholarship suggests that China prioritizes strategic stability during its rise to avoid triggering strong external

balancing responses (Goldstein, 2005). In this context, participation in ASEAN-led mechanisms—such as the DOC and the COC process—allows China to signal cooperation, maintain the image of a responsible great power, and reduce the risk of diplomatic isolation (ASEAN, 2012; Buszynski, 2003). Such participation, however, does not imply acceptance of a more binding legal restructuring of the South China Sea order. China's participation in successive ASEAN-China senior officials' meetings on the implementation of the DOC further illustrates this pattern. While maintaining its strategic claims, China continues to engage in institutional dialogue, signaling cooperation without committing to binding constraints.

Studies of China's behavior further indicate a pattern of selective institutional engagement. Johnston (2003) raises the question of whether China is a status quo power, while Fravel (2011) demonstrates that China's actions in the South China Sea are strategically driven and closely tied to the protection of core security interests. Within an asymmetric governance space, China accepts shared norms only at a minimal level, while avoiding highly coercive provisions—particularly legal constraints that could limit its ability to adjust behavior as the balance of power continues to shift in its favor (Emmers, 2007).

This strategy also reflects China's perception of hierarchical regional order. As Goh (2007) argued, Southeast Asia operates within a security structure in which great powers play a disproportionate role in shaping rules, while small and middle powers seek to adapt. As a rising great power, China has incentives to sustain governance mechanisms that are sufficiently flexible to avoid being bound by norms initiated by weaker actors, yet sufficiently inclusive to prevent extensive intervention by external powers (Hayton, 2014; Sutter, 2005).

In its relations with ASEAN, China's strategy is also linked to the objective of decoupling South China Sea disputes from broader alliance structures and confrontational dynamics. By prioritizing negotiation and governance at the ASEAN-regional level, China seeks to keep the South China Sea within an institutional framework where it enjoys relative power advantages, while constraining the internationalization of disputes (Buszynski, 2003; Jones & Smith, 2006). The DOC and COC thus function as mechanisms that facilitate regional dialogue without opening pathways toward highly legalistic or coercive dispute settlement arrangements.

Another important finding is that China employs institutional governance as a risk-management tool rather than as a long-term normative commitment. Participation in the DOC-COC framework helps Beijing reduce misperceptions, control tensions, and maintain a stable environment conducive to economic development, particularly amid intensifying great-power competition (Acharya, 2014; Goldstein, 2005). However, when core strategic interests are challenged, the limitations of soft institutional governance become evident, as these mechanisms lack enforcement capacity and depend heavily on voluntary restraint by the parties involved (Emmers, 2007; Fravel, 2011).

Within the context of U.S.–China competition and a fragmented Indo-Pacific order, China's strategy in the South China Sea also aims to position its regional role and shape ASEAN perceptions. Recent studies suggest that China seeks to combine economic cooperation, institutional participation, and the assertion of strategic presence to consolidate influence without pushing the region into direct confrontation (Ha & Hung, 2025; Zha, 2023). In this sense, asymmetric governance functions as a buffer space, allowing China to adjust the pace and form of its behavior in response to shifts in the strategic environment.

At the same time, the findings indicate that this strategy is not without risks for China itself. Maintaining a low level of institutional commitment may erode strategic trust and encourage ASEAN states to seek supplementary security options, thereby further complicating the regional environment (Caballero-Anthony, 2022; Qiao-Franco et al., 2024). Consequently, China's strategy within an asymmetric governance space is simultaneously stabilizing and internally tension-ridden, marked by a persistent trade-off between control and the need for confidence-building.

Taken together, the third finding demonstrates that China does not seek to dismantle ASEAN-led governance mechanisms, but rather exploits them in a calculated manner to manage risks, preserve power advantages, and shape the regional order in favorable ways. Within the asymmetric governance space of the South China Sea, this strategy contributes to relative stability, while simultaneously imposing long-term constraints on the effectiveness and sustainability of ASEAN-led regional governance.

5. Discussion

Synthesizing the findings presented in Section 4 yields several important theoretical implications for the study of regional order, conflict governance, and actor behavior under conditions of power asymmetry. First, the analysis demonstrates that the South China Sea should be understood not merely as a dispute hotspot but as an asymmetric governance space in which ASEAN's and China's strategies interact in a condition of simultaneous cooperation and competition. This perspective contributes to reframing existing debates that often focus narrowly on the success or failure of regional institutions.

First, from the perspective of regional order theory and the role of institutions, the findings suggest that asymmetric governance offers a complementary lens to existing studies on the "ASEAN Way" and Southeast Asia's nascent security community. Rather than assessing ASEAN primarily in terms of its capacity to resolve disputes or impose legal constraints, this study argues that ASEAN's effectiveness should be evaluated by its ability to manage risks and prevent conflict escalation under conditions of limited material power (Acharya, 2001; Caballero-Anthony, 2022). In this sense, the DOC and COC should not be interpreted as evidence of institutional weakness but as manifestations of ASEAN's strategic adaptation to an asymmetric environment (Buszynski, 2003; Emmers, 2007).

Second, the findings contribute to ongoing debates on the behavior of rising powers within regional institutional structures. Previous scholarship has questioned whether China should be understood as a status quo power or as an actor seeking to reshape regional order (Goldstein, 2005; Johnston, 2003). This study suggests that China does not fit neatly into either category. Instead, it pursues a strategy of selective institutional engagement, using governance mechanisms to stabilize its external environment while preserving strategic freedom of action (Fravel, 2011; Sutter, 2005). This implies that regional institutions under conditions of power asymmetry function less as tools for constraining great powers and more as negotiated spaces in which both dominant and weaker actors adjust their behavior.

Third, from the perspective of small- and middle-power strategy, the asymmetric governance model clarifies how ASEAN operationalizes hedging and adaptation in an environment of intensifying great-power competition. The hedging literature emphasizes the combination of cooperation and precaution as a means of maintaining policy autonomy (Goh, 2016; Kuik, 2021). This paper extends that argument by demonstrating that hedging is not only reflected in bilateral policy choices but also institutionalized at the regional level through governance mechanisms such as the DOC-COC. As such, asymmetric governance can be understood as a form of collective hedging, through which ASEAN seeks to balance stability and strategic autonomy.

Fourth, the findings underscore important limitations of soft institutional governance amid escalating great-power rivalry. While the DOC-COC framework contributes to maintaining relative stability, its effectiveness depends heavily on voluntary restraint by the parties involved and the broader strategic context (Acharya, 2014; Zha, 2023). As U.S.-China competition intensifies and the Indo-Pacific strategic environment becomes increasingly fragmented, non-legally binding governance mechanisms risk being pushed to their limits (Ha & Hung, 2025; Qiao-Franco et al., 2024). This suggests that asymmetric governance is not a permanent solution but rather a contingent governance condition, shaped by power relations and strategic choices.

However, the sustainability of asymmetric governance remains contingent upon several interrelated conditions. The model may become unstable if intra-ASEAN consensus erodes, particularly when member states adopt divergent threat perceptions or external alignments. It is also vulnerable to shifts in China's strategic calculus, especially if Beijing reduces its level of institutional engagement or prioritizes unilateral actions over multilateral dialogue. Furthermore, intensifying great-power competition—particularly between the United States and China—may undermine existing norms of restraint and weaken ASEAN-led mechanisms. Under such conditions, the capacity of soft institutional frameworks such as the DOC-COC to manage conflict could be significantly diminished, which leads to greater polarization and reduced scope for cooperative governance.

Fifth, at the conceptual level, the paper contributes by integrating theoretical strands that are often examined separately—including regional institutionalism, great-power strategy, and small-state hedging—into a unified analytical framework. The concept

of an “asymmetric governance space” helps explain why institutions can simultaneously persist and remain constrained in shaping behavior, while avoiding binary assessments that frame institutions as either effective or failed. Instead, institutional effectiveness is understood as the degree to which acceptable risk management is achieved in an asymmetric power structure (Goh, 2007; Jones & Smith, 2006).

Finally, the findings offer broader implications for the study of regional order beyond the South China Sea. In regions characterized by pronounced power asymmetries between a dominant power and smaller states, asymmetric governance may be more prevalent than hard balancing or full alignment. However, the sustainability of this model depends on the maintenance of internal consensus, the level of institutional engagement by the dominant power, and the broader context of global great-power competition. These conditions will continue to shape the future of regional governance in the South China Sea and ASEAN’s role in an evolving regional order.

6. Conclusion

This paper has approached the South China Sea as an asymmetric governance space in ASEAN-China relations, thereby elucidating the interaction logic between a regional organization composed of small and middle powers and a rising great power. Rather than assessing ASEAN’s effectiveness based on its capacity to fully resolve disputes, the study argues that ASEAN’s role should be understood through its ability to manage risks, prevent conflict escalation, and maintain relative stability under conditions of persistent power asymmetry (Acharya, 2001; Emmers, 2007).

In terms of theoretical contributions, the paper advances scholarship on regional order and security institutions by integrating three strands of theory: regional institutionalism, hedging strategies of small and middle powers, and the behavior of rising great powers. The concept of an “asymmetric governance space” moves beyond binary approaches that frame institutions as either effective or failed. Instead, institutions are conceptualized as bounded governance tools that operate to sustain an acceptable level of stability within an unequal power structure (Goh, 2007; Kuik, 2021). The DOC-COC case demonstrates that non-legally binding mechanisms can retain practical value in shaping behavioral expectations and sustaining dialogue, even without restructuring the legal order of the South China Sea (ASEAN, 2012; Buszynski, 2003).

With regard to policy implications, the study suggests that ASEAN should continue to invest in its role as an institutional coordinator and prioritize the maintenance of intra-ASEAN consensus as a prerequisite for managing relations with major powers. At the same time, expecting the DOC-COC framework to evolve into a coercive dispute settlement mechanism risks generating unrealistic assessments of ASEAN’s institutional capacity. Instead, these mechanisms should be strengthened as risk-management instruments, linked to confidence-building measures and functional cooperation (Beckman & Schofield, 2014; Lin & Pou, 2025). For China, more sustained and consistent institutional engagement could help reduce strategic mistrust and

reinforce regional stability, particularly amid intensifying great-power competition (Goldstein, 2005; Zha, 2023). Finally, the paper argues that asymmetric governance in the South China Sea represents a dynamic and contingent condition, shaped by power relations and the broader strategic environment. The long-term maintenance of regional stability will depend on whether the relevant actors continue to accept governance as a strategic choice, rather than pursuing unilateral solutions that risk eroding the ASEAN-led regional order (Acharya, 2014; Qiao-Franco et al., 2024).

7. References

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