

## OPINION

## When China's Behavior Betrays Its Words

By Lynn Kuok

A Chinese newspaper reported last month that the People's Liberation Army installed rocket launchers on Fiery Cross Reef, a disputed feature in the South China Sea. In mid-December, the Center for Strategic and International Studies in Washington released satellite photos that showed China deploying weapons on artificial islands constructed in the past three years. These developments have alarmed Southeast Asian nations because they suggest Beijing intends to further change the status quo in the South China Sea with force or the threat of force.

### Whether Beijing is sincere about its desire for regional harmony must be judged by its actions on the South China Sea.

Beijing has repeatedly said that such moves are defensive, and that it can do what it likes on its own territory. And it's true that a state generally has the right to do as it wishes on sovereign territory.

But features in the Spratly Islands are claimed by five other claimants. International law on the responsibility of an occupying state in a disputed area is far from clear.

China's actions are all the more surprising given its self-image as the region's peacemaker. Last month, President Xi Jinping called the Belt

and Road Initiative an attempt to "create . . . a big family of harmonious co-existence."

The most prudent course for all claimants in the South China Sea would be to refrain from provocative activities, especially those that involve irreversible changes to a feature. The Declaration on the Conduct of Parties in the South China Sea concluded between China and the Association of Southeast Asian Nations member states in 2002 explicitly exhorts parties to "exercise self-restraint in the conduct of activities that would complicate or escalate disputes and affect peace and stability." Beijing has warned its neighbors not to increase their presence on features under their control.

In April, Philippine President Rodrigo Duterte ordered his military to occupy features under the country's control in the South China Sea. The president also mentioned that he might visit Thitu Island (also known as Pag-asa Island), the largest feature the Philippines occupies in the Spratly Islands.

A week later, after Beijing had some strong words with Mr. Duterte, the president made an about-turn, announcing that he would no longer push through with his plan. He explained that the Chinese government convinced him that it would cause trouble if "every head of state of the contending parties . . . will go there to plant their flags."

Beijing's call for restraint wasn't based on claims that Mr. Duterte's proposed actions were unlawful. Rather it was prompted by the likelihood that such actions would raise tensions and spark off a negative spiral of action and reaction.



The USS Dewey on the South China Sea on May 6.

The reasoning behind China's advice to the Philippines could also usefully be applied to Beijing's island-building and construction activities as well as its reported deployments of weapons and equipment on features it occupies. China isn't the only nor the first claimant to engage in such activities, but the speed and scale of development has dwarfed others and caused much anxiety in the region and beyond.

Moreover, none of China's actions in this respect bolster its claims in the South China Sea. A court or tribunal doesn't look at state actions after a dispute arises to determine sovereignty.

In pursuing these actions, Beijing is likely motivated more by the worrying goal of seeking to change the status quo on the ground. Enhancing its physical presence on features in-

creases its ability to project power in the region.

Some analysts have criticized China's island-building and construction activities, as well as its "militarization" of features for flouting a 2016 United Nations tribunal's decision on the South China Sea. But such criticism is misguided.

The tribunal didn't rule on whether China's island-building and construction activities as well as militarization of the high-tide features it occupies in the Spratly Islands, including Fiery Cross Reef, were unlawful. The lawfulness of these acts depend on whether China has sovereignty over these features, which the tribunal did not determine, and the responsibility of an occupying state in disputed areas, which is unclear.

Rather, the tribunal ruled that China's island-building and construction activities were unlawful because

they violated environmental obligations under the United Nations Convention on the Law of the Sea (Unclos), aggravated and extended the dispute before the tribunal and had the effect of permanently destroying evidence of the natural condition of features in question.

Nevertheless, China's actions, including recent reports of deployments of weapons, are worrying because they undermine trust, heighten tensions and encourage retaliatory measures by other parties. They also run counter to the obligation of restraint under the 2002 declaration between China and Asean member states.

All parties who have an interest in lowering tensions in a fraught region should hold themselves to two tests: first, adherence to international law, including Unclos; and second, restraint where action might not necessarily be unlawful but would nonetheless increase tensions. Peace and stability in the region depend on this.

As China comes bearing gifts and countries seek to assess its intentions, Beijing's willingness to consistently abide by these two tests will be an important gauge of its sincerity in seeking a "big family of harmonious co-existence." It will also indicate the type of power China will be. A truly great one upholds the rule of law and exercises wisdom and prudence in all things.

*Ms. Kuok is a senior visiting fellow at the Centre for International Law, National University of Singapore, and a senior research fellow at the Centre for Rising Powers, University of Cambridge.*

## Trump as a Democracy Promoter

By Judy Shelton

Much has been made of President Trump's supposed lack of interest in human rights and the promotion of American ideals. Stepping back from his rhetoric and looking at his actions suggests an alternative conclusion.

If it were an easy task to set up a flourishing democracy, the entire world would be experiencing peace and prosperity. But it has never been simple. Many people around the world understand that liberty, opportunity and fairness flow from democratic institutions. But establishing such systems takes time, and progress is uneven. The growing pains of warring internal factions and harsh retributions meted out by ruthless authoritarians slow the march toward democracy.

President Reagan sought to address the issue in a speech before the British Parliament on June 8, 1982. He affirmed it was a mistake to ignore the rise of tyrants: Britain had paid a terrible price in World War II after allowing dictators to underestimate its resolve.

He further maintained that democratic nations needed to resist as a matter of self-expression. Reagan said we must think of ourselves as "free people, worthy of freedom and determined not only to remain so

but to help others gain their freedom as well."

The 40th president proposed countering totalitarianism and its terrible inhumanity by actively promoting freedom and democratic ideals throughout the world. He envisioned the creation of a bipartisan U.S. political foundation that would assist democratic development by openly providing support to those seeking equality and liberty for their countrymen. Building the infrastructure of democracy—free elections, free markets, free speech and rule of law—would empower people to choose their own way to reconcile their own differences through peaceful means. "Democracy is not a fragile flower," Reagan observed. "Still, it needs cultivating."

The National Endowment for Democracy, launched as a result of that speech, remains faithful to its founding mission: to help others achieve a system that protects the inalienable rights of individuals and guarantees the people's freedom to determine their own destiny. The endowment provides modest grants to democracy activists around the world, but its greater gift is the imprimatur of moral support from the American people. Brave individuals on the front lines of the struggle for democracy in their own countries draw strength from that connection.

The efforts of five endowment grantees battling government corruption were applauded during a Capitol Hill ceremony on Wednesday, with remarks delivered by House Speaker Paul Ryan and Minority Leader Nancy Pelosi. Yet some argue that endorsing the spread of the American idea beyond

### His responses to abuse in Syria and Venezuela suggest he cares about freedom and human rights.

The U.S. no longer aligns with the preferences of American voters. The most cynical voices claim Mr. Trump neither accepts nor comprehends the profound influence of America's moral authority in the world.

That simplistic narrative is wrong. Consider Secretary of State Rex Tillerson's remarks to his department's employees last month. He adjured them to "remember that guiding all of our foreign-policy actions are our fundamental values," which include "freedom, human dignity, the way people are treated." As Mr. Tillerson explained, the objectives of the administration's America First approach—encouraging economic pros-

perity and maintaining military readiness—are crucial if the U.S. is to promote its values abroad.

Mr. Trump's decisions ultimately make the difference. "I see in the president somebody who said a lot of things in the campaign," former Secretary of State Condoleezza Rice noted in a recent Journal interview. "But when he was sitting in that chair and watched Syrian babies choking on chemical gas said, 'I can't let that stand.'"

What Mr. Trump apparently felt at a gut level is entirely in keeping with that uniquely American quality of being unable to ignore injustice—that inability to stand idly by while the rights of others are cruelly violated by despots. Does he appreciate that America's own hard-fought path to democracy and equal rights means we never retreat from leadership or abstain from righteousness in a world prone to malevolence?

One notable event may provide a telling indication. In February, Mr. Trump met in the Oval Office with Lilian Tintori, wife of jailed Venezuelan opposition leader Leopoldo Lopez. Afterward the president tweeted a thumbs-up photo of himself, together with Vice President Mike Pence and Florida Sen. Marco Rubio, standing beside Ms. Tintori. "Venezuela should allow Leopoldo Lopez, a political prisoner & hus-

band of @liliantintori (just met w/ @marcorubio) out of prison immediately," read his accompanying message.

"Here in Venezuela, jaws dropped," wrote Emiliana Duarte, managing editor of the English-language blog Caracas Chronicles, in the Atlantic. "For Venezuelans accustomed to living in fear of their dictatorial government, the sight of the president of the United States siding publicly with the most fearless champion of Venezuelan democracy was powerful."

As someone who has thought deeply about democracy promotion, I take this as evidence that America's leader—an admirer of Reagan—has the head and the heart to act with fundamental decency. American decency is born of gratitude for what this nation's founders had the courage and vision to establish. It is what compels Americans to stand for the rights and liberties of those who can't stand for those rights and liberties themselves. It is what drives the aspiration to share the American values that have made the U.S. not only successful but honorable.

*Ms. Shelton is chairman of the National Endowment for Democracy. She served on the Trump transition team.*

## Greece's Creditors Undermine Reform

By Yannis Palaiologos

Another meeting of eurozone finance ministers is coming up next week, with no solution expected to the perennial Greek problem.

Athens went into the previous summit on May 22 having voted for another round of austerity, including pension cuts worth 1% of gross domestic product and new revenue worth a further 1% of GDP from the lowering of the tax-free income threshold. Prime Minister Alexis Tsipras had promised that the measures would secure a deal on debt relief, which would open the way for Greece's inclusion in the European Central Bank's asset-purchase pro-

gram, or quantitative easing, and would signal to investors the country's return to normality.

The deal failed to materialize, and is likewise unlikely to at the June 15 meeting. A compromise between the International Monetary Fund, which has made debt relief a condition for joining the Greek program, and Germany, the chief naysayer, was rejected by Greece at the May 22 meeting as offering too few specifics.

Germany's finance minister, Wolfgang Schäuble, insists that debt isn't the real problem in Greece. It is, instead, an economy with structural weaknesses stemming from a clientelist political system. There's a lot to be said for this argument.

Witness recent developments in the country. On the day of the failed eurogroup meeting last month, it was revealed that Ivan Savvidis, a Russian-Greek tycoon who owns a string of businesses and a football club in Greece, had purchased a 19.6% stake in Mega channel. Mega is a private television station, for years the country's most-watched. Owned until recently by some of Greece's top oligarchs, it is mired in debt and was on the verge of bankruptcy.

Mr. Savvidis boasted in an interview in early May that he was sure to gain control of one of the main TV stations "within the month." Bank executives told Kathimerini newspaper that they were placed under pressure from the government to greenlight the Mega transaction.

Mr. Savvidis, in the same interview, praised Mr. Tsipras, drawing comparisons to Vladimir Putin as a way of complimenting the prime minister. He also savaged the leader of the opposition, Kyriakos Mitsotakis, for, among other things, opposing a bill that would relieve Mr. Savvidis of the obligation to pay a €38 million (\$42.8 million) fine imposed on another of Mr. Savvidis's companies, the tobacco producer SEKAP, for cigarette smuggling. The fine was incurred before Mr. Savvidis bought the company.

Mr. Savvidis, formerly a member both of the Russian Duma and Mr. Putin's party, is also a party to the joint venture that was recently declared the preferred bidder for a 67% stake in the port of Thessaloniki, Greece's second-largest after Piraeus.

Meanwhile, Mr. Tsipras has been trying to shore up support by pushing for tens of thousands of employ-

ees on short-term contracts to be placed on the government's permanent payroll. He has restricted the autonomy of private schools from the regulatory reach of the Ministry of Education and has introduced a bill to do the same thing to universities while also reinstating the powers of student politicians to participate in their governance.

### Athens is backsliding on promises to overhaul its economy, but austerity is making the politics harder.

He has stood back while ministers and lower-level officials place roadblocks on important investments such as the Hellenikon project, which would see private residences, offices, recreational facilities and even a large park and casino built on the Athenian coastline. In its doomed effort to retain government control of the energy industry, the Syriza-led coalition government has also reduced PPC, the state-owned electricity company, to dire financial straits.

What is equally worrying is that New Democracy, the center-right opposition, is doing little to prove that it has overcome its own statist, clientelist past. Mr. Mitsotakis has the right instincts on policy, but he has been timid in imposing his views on a largely unreconstructed party.

What emerges is a more restrained version of old-style Greek opposition politics—promising growth and tax cuts without speci-

fying where the painful offsetting spending cuts will fall. On the critical issue of combatting *diaploki* (government-business collusion), it's far from clear that New Democracy is committed to a true rupture from traditional crony-capitalist practices and not merely seeking to replace Syriza's preferred bidders with its own.

But here's what Mr. Schäuble is blind to: He doesn't acknowledge the role played by Greece's creditors, above all his own government, in perpetuating this state of affairs. Crushing austerity, born of the European creditors' unwillingness to acknowledge the obvious unsustainability of Greece's debt, deepened and prolonged the Greek crisis and undermined necessary structural reforms, and their proponents, in the eyes of the Greek public.

This myopic stance, dictated by the domestic political calculations of creditor countries, led to the rise of Syriza and the disastrous negotiations that nearly led Greece out of the eurozone. Now, having brought Mr. Tsipras completely to heel, Germany and its allies continue to choke off Greece's recovery and threaten another liquidity crunch.

Whether it is the hubris of the victor or plain political cowardice, it is unworthy of those who claim to be Europe's leaders—and who face the arduous task of rebuilding the euro's legitimacy, after a period of unprecedented turbulence.

*Mr. Palaiologos is a journalist at the Kathimerini newspaper in Athens and the author of "The Thirteenth Labour of Hercules" (Portobello Books).*

## THE WALL STREET JOURNAL

PUBLISHED SINCE 1889 BY DOW JONES &amp; COMPANY

Rupert Murdoch  
Executive Chairman, News Corp

Gerard Baker  
Editor in Chief

Robert Thomson  
Chief Executive Officer, News Corp

William Lewis  
Chief Executive Officer and Publisher

Matthew J. Murray  
Deputy Editor in Chief

DEPUTY MANAGING EDITORS:

Michael W. Miller, Senior Deputy;

Thorold Barker, Europe; Paul Beckett,

Washington; Andrew Dowell, Asia;

Christine Gancey, Operations;

Jennifer J. Hicks, Digital;

Neal Lipschutz, Standards; Alex Martin, News;

Shazna Nessa, Visuals; Ann Podd, Initiatives;

Matthew Rose, Enterprise;

Stephen Wisniewski, Professional News

Paul A. Gigot, Editor of the Editorial Page;

Daniel Henninger, Deputy Editor, Editorial Page

WALL STREET JOURNAL MANAGEMENT:

Suzi Watford, Marketing and Circulation;

Joseph B. Vincent, Operations;

Larry L. Hoffman, Production

DOW JONES MANAGEMENT:

Mark Musgrave, Chief People Officer;

Anna Sedgley, Chief Operating Officer & CFO;

Katie Vanneck-Smith, President

OPERATING EXECUTIVES:

Ramin Beheshti, Product & Technology;

Jason P. Conti, General Counsel;

Frank Filippo, Print Products & Services;

Steve Grycuik, Customer Service;

Kristin Heilmann, Transformation;

Nancy McNeill, Advertising & Corporate Sales;

Jonathan Wright, International

DJ Media Group:

Almar Latour, Publisher;

Kenneth Breen, Commercial

Professional Information Business;

Christopher Lloyd, Head;

Ingrid Verschuren, Deputy Head

DOW JONES  
News Corp

EDITORIAL AND CORPORATE HEADQUARTERS:  
1211 Avenue of the Americas, New York, N.Y., 10036  
Telephone 1-800-DOWJONES