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The Changing Balance of Power in East Asia: Implications for Regional and International Security*

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Despite claims that regional institutions and economic interdependence are playing increasingly important roles in maintaining peace in East Asia, the regional security landscape is still molded to a large extent by balance-of-power thinking and practice, in which relative military power is a central consideration. This paper assesses: (1) the changing distribution of military power in East Asia in terms of the evolving roles of extraregional players (the United States, Russia, and West European states) as well as the growing military capabilities of the regional states themselves; and (2) the strategic implications of this changing military balance for the region, the United States, and Europe.

This paper argues that the key factor preventing the degeneration of rivalry between East Asian states into more naked military competition is and will remain the regional military commitment of the United States, which helps to constrain not only China's presumed hegemonic ambitions but also large-scale Japanese rearmament. Recent U.S. regional security policy has focused on reinforcing the stability of the regional balance, most importantly by bolstering key alliance relationships in the region (particularly with Japan and Australia). However, the balance envisaged in Wash-

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ington does not rest solely on calculations of relative power: the United States has simultaneously attempted to engage China and has supported regional confidence-building dialogues. The present balance, underpinned by the U.S. regional security role, serves the interests of European states well. While responsibility for reinforcing the stability of this balance must rest primarily with the United States, Japan, and other regional states, West European governments can contribute to East Asia's "soft security." Moreover, by becoming more self-reliant in their own defence and perhaps by contributing forces in support of the U.S. regional role, they can also contribute to the region's "hard security" as well. West European governments, though, might find such "out-of-area" commitments hard to justify to domestic political constituencies.

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During the 1990s, East Asian governments have often stressed as relevant to their region the concepts of common, comprehensive, and cooperative security. Moreover, some international relations specialists have argued optimistically that a distinctly "Asian" style of international relations is emerging which stresses regional interdependence in economic, political, and security terms; avoidance of confrontation; mutual noninterference; and informal confidence-building and ideational community-building. The Association of Southeast Asian Nations (ASEAN) has been held up as an exemplar of this supposed "Asian way" to peace and prosperity, especially since ASEAN initiatives have paved the way for the creation of wider regional economic and security institutions.[1] One senior Singaporean official went so far as to draw unflattering comparisons between the "strategically incoherent" attempts to evolve a satisfactory post-Cold War order in Europe and the "relatively sound strategic decisions" made by East Asian countries.[2] While the continued significance of power as a currency of international relations is virtually universally accepted in the region, what might be called the rhetoric of power in the area focuses on the grow-

[1]See, for example, Michael Haas, *The Asian Way to Peace: A Story of Regional Cooperation* (New York: Praeger, 1989).

[2]Kishore Mahbubani, "The Pacific Impulse," *Survival* 37, no. 1 (Spring 1995): 105-20.

ing economic and ideational strength of East Asian states, rather than their military power.

These arguments are important. They emphasize the significant roles which institution-building and the growth of economic interdependence—rather than power politics—may be playing in maintaining peace in East Asia. Power—particularly military power—has not lost its significance to the extent that some observers have indicated, however. East Asian governments may well stress the importance for regional security of building regional institutions and cementing economic interdependence, but the regional security landscape is still molded to a large extent by balance-of-power thinking and practice, in which relative military power is a central consideration.

While it is true that East Asia (defined as China, Taiwan, Japan, the two Koreas, and the ten Southeast Asian states) has been more peaceful during the 1990s than at any time since the 1930s, serious tensions between states in the region are becoming more evident. These tensions can be traced to problems in developing resilient, legitimate, stable, and cohesive political systems, to the uneven distribution of wealth, natural resources, and development within and between East Asian states, to conflicting territorial and maritime claims, and to unresolved disputes of Cold War origin. The region is characterized by relatively weak states and by governments which are far more statist and realist in their outlooks than is sometimes appreciated by analysts outside the region. East Asian governments are obsessively protective of their sovereignty.

East Asian regional institutions remain extremely underdeveloped. ASEAN, the ASEAN Regional Forum (ARF), and the Asia-Pacific Economic Cooperation (APEC) forum are essentially tentative confidence-building mechanisms. Only ASEAN—with its limited subregional scope—might accurately be termed a *regime*. And there is considerable evidence that East Asian states have effectively rejected challenges to the dominance of state-centered realism in their foreign policies from not only supranational institutions, but also from subnational nongovernmental organizations (NGOs), which are commonly seen by Asian governments as anti-governmental puppets of foreign powers. This may change over time, as civil society grows stronger throughout the region, but this process will not

seriously affect the prospects for regional institution-building for many years.

Economic interdependence, both within East Asia and between regional and extraregional states, has become much more evident during the 1990s, but the related security implications are hard to determine with precision. On the positive side, many claim that war between interdependent economies would be irrational.[3] However, the historical basis for such an assertion is dubious, with others suggesting that economic interdependence in East Asia could increase the chances of conflict.[4]

While quantifying the significance of military power as an element of the overall national power of East Asian states and interested extraregional powers is difficult, there is evidently not a single state in the region, however, which does not appreciate the utility of possessing and accumulating national military power. Admittedly, some regional states—particularly Japan—have so far constrained the development of their armed forces for both economic and political reasons. Because of their own relative military weakness and (until recently) phenomenal economic success, East Asian states may stress the significance and utility of economic rather than other forms of power. However, no government in the region—including Japan's—objects as a matter of principle to the idea that military power is a vital and useful currency of international relations. Indeed, all regional states clearly appreciate the significance for regional security of the military power deployed by both their allies and their potential adversaries. Meanwhile, all East Asian states—from China to Brunei—are making efforts to expand their military capabilities. Moreover, while there has been no real cooperation on defence matters between regional states nor indications of serious interest in regional arms control, many East Asian states have maintained or reinforced bilateral or multilateral defence arrangements with extraregional powers during the 1990s.

For these reasons, military power will remain a prominent feature

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[3]See, for example, William H. Overholt, *China: The Next Economic Superpower* (London: Weidenfeld & Nicholson, 1993), 211-47.

[4]Barry Buzan and Gerald Segal, "Rethinking East Asian Security," *Survival* 36, no. 1 (Spring 1994): 13-14.

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of the regional security landscape for the foreseeable future, and power balancing will continue to be the most important means of preserving peace in the region. This does not, however, mean that institution-building and increasing economic interdependence are irrelevant to East Asian regional security. Nor does it signify that other nonmilitary forms of national power are irrelevant in the regional balance. To the extent that military power is important as an element of the regional balance of power,[5] perceptions of power—rather than the intrinsic power itself—matter most. Considerations of economic and ideational power may influence such perceptions.

The Changing Distribution of Military Power: The Extraregional Powers

Although East Asia was riddled with various types of conflict for most of the Cold War, firm American security guarantees that were backed by nuclear weapons helped both to limit conflicts and to allow many regional states to rely on Washington effectively to provide for their external defence. From the late 1970s to the late 1980s, the East Asian balance of power became rather more complicated as China emerged as America's strategic partner in the region. With the end of the Cold War, however, the regional balance has become much less stable and predictable than ten or twenty years ago. In essence, there is currently an asymmetric, multipolar balance (or distribution) of power in the region, and this distribution of power is likely to remain in a state of flux for the foreseeable future.

The United States: A Declining Power?

Of the outside powers involved militarily in East Asia, the United States clearly remains preeminent. However, frequent protestations by the U.S. government aside, many East Asian countries feel America's regional military role has been declining since President Richard Nixon's decla-

[5]The term "balance of power" is used here in the sense of the distribution of power in the region.

ration of the Guam Doctrine in 1969. In Northeast Asia, despite post-Cold War reductions, the United States still maintains powerful forces in Japan (mainly on Okinawa) and South Korea.[6] The situation is different in Southeast Asia, however, where U.S. forces were pulled out of Vietnam in 1973, from Thailand in 1976, and from the Philippines in 1992. While still having access to military facilities in several ASEAN member states (most importantly in Singapore), the United States now has no permanent forward-based military presence in Southeast Asia.

Despite economic and political frictions with the United States, virtually all East Asian governments would prefer Washington to at least maintain its present force levels in East Asia. Only China has indicated that it would prefer the United States to withdraw its forces from the region, and even in Beijing there is a degree of ambivalence: though the U.S. regional role constrains China's efforts to intimidate Taiwan, it also serves to forestall more thoroughgoing Japanese remilitarization.[7] Other East Asian governments see the United States playing a valuable strategic role as a "regional balancer" at a time when China's power and assertiveness are increasing. Even Vietnamese officials tentatively indicate that they see the U.S. presence as "necessary."

Will the Americans remain directly militarily engaged in East Asia, however? The Defense Department's latest major statement on "U.S. Security Strategy for the East Asia-Pacific Region," issued in 1995, stresses that "reductions resulting from the end of the Cold War have been accomplished; no further changes in warfighting capability are planned; the United States will maintain a force structure requiring approximately 100,000 personnel in Asia."[8] Nevertheless, there is a widespread percep-

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[6]The main U.S. forces based in Japan (37,000 personnel) are the 7th Fleet (including an aircraft carrier), the 5th Air Force (with 90 combat aircraft), and a Marine Expeditionary Force. In South Korea (36,000 personnel), there is an infantry division and other army units, and the 7th Air Force (90 combat aircraft). *The Military Balance 1997/98* (London: International Institute for Strategic Studies [IISS], 1997), 26.

[7]Joseph S. Nye, "China's Reemergence and the Future of the Asia-Pacific," *Survival* 39, no. 4 (Winter 1997-98): 74.

[8]The most recent general statement of Washington's security policy, following the 1997 Quadrennial Review, has confirmed the size of the continuing U.S. regional military presence. See *A National Security Strategy for a New Century* (The White House, May 1997), 23.

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tion in the region that despite the shift in U.S. economic interest towards the Pacific, the Americans are on their way out of East Asia in a strategic sense. Many—perhaps most—East Asian policymakers see the United States as a declining or even decadent power, likely to concentrate increasingly in future on coping with domestic rather than international problems. With the exception of Korea, there are no longer clear-cut expectations either that the U.S. regional military role can decisively deter conflict, or that America would fight to protect its allies and associates in most circumstances where they might need American help. Paradoxically, though, most East Asian governments see the United States' military engagement as still vital, despite these doubts over the durability and credibility of Washington's security guarantees.

Recent developments such as the bolstering of security links with Australia and Japan as well as the impressive show of force during the Taiwan Strait crisis in early 1996 may have had some impact on regional perceptions, but the basic *angst* over Washington's role persists. Indeed, political and economic pressures—including domestic economic constraints in the United States, local opposition to U.S. bases in Okinawa, and the tensions generated by the U.S.-Japan trade dispute—could well lead to further reductions. Differences over human rights have the potential to alienate important regional states (notably Indonesia) which are otherwise generally supportive of the U.S. regional security role. In the medium term, the likelihood of the reunification of Korea and advances in defence technology seem likely to impinge on the rationale for stationing U.S. forces in Asia. The Pentagon is already thinking about how to maintain a strategic presence through large-scale power projection forces.[9] Power projection may not provide the degree of reassurance which regional allies and associates see as desirable, however. A significant reduction in the visibility of the U.S. regional military role could have a major impact on regional perceptions of the distribution of power, even though Washington might retain the technological and logistic capability to concentrate massive forces in the region rapidly.

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[9]Richard Halloran, "Gunboat Diplomacy: Still Relevant?" *PacNet* 27, July 4, 1997.

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Russia: "Down" But Not "Out"?

The second major "outside" power involved in East Asian security until the early 1990s was the Soviet Union. Geography dictated that the USSR was hardly an outside power in the same sense as the United States, and Russia has inherited the Soviet Union's status as a weak, but inherent and permanent Asian power. During the early 1990s, economic constraints have provided a new impetus for continuing the Gorbachev regime's policy of pursuing "non-negotiated arms reductions" in the Far East. Most importantly, there have been sweeping cuts in Russian forces on the Chinese border and in Mongolia. The Russians have also drastically reduced the operating tempo of their Pacific Fleet and have withdrawn all significant naval and air forces from their Vietnamese base at Cam Ranh Bay. While any significant future rebuilding of the Russian armed forces might be felt more in East Asia than in Europe (in view of the strict limits imposed by the Conventional Forces in Europe treaty), for the foreseeable future Russia will be considerably more significant as a supplier of arms and military technology to regional states (particularly China) than as a direct military player in the region. Nevertheless, the possibility that Russia could revive its strategic role in East Asia in the longer term should not be discounted entirely.

Western Europe: A Residual Role

Though Britain and France are still committed to the maintenance of East Asian security through their involvement in various international agreements and institutions,[10] a substantial direct European military role in the region effectively ended with the withdrawal of most British forces from Singapore and Malaysia by 1971, when the Anglo-Malaysian Defence Agreement (AMDA) was replaced by the looser Five-Power Defence Arrangements (FPDA). Whereas AMDA involved an automatic British commitment to respond to an external attack on Malaysia (and from 1965 Singapore), the FPDA merely obliges the signatories (including Australia

[10]Including the UN Security Council, the UN Armistice Commission and Advisory Group in Korea, and the Manila Pact. See Paul Stares and Nicolas Regaud, "Europe's Role in Asia-Pacific Security," *Survival* 39, no. 4 (Winter 1997-98): 119-20.

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and New Zealand) to consult in the event of aggression. Participation in the FPDA has not necessitated the long-term deployment of British forces in the region, though a battalion-sized garrison has been maintained in Brunei, with which Britain has a bilateral consultative defence arrangement. Nevertheless, the United Kingdom still regularly deploys other forces to the region, mainly to participate in FPDA exercises, but also for national exercises with other regional states such as Thailand.

British interest in Southeast Asian security was revived somewhat by the withdrawal from Hong Kong in 1997. In view of Britain's continuing interest in East Asian stability—particularly in terms of its large economic involvement in the region—the previous (Conservative) government was keen to underline the UK's continuing interest in the region's security. In 1996 the Ministry of Defence in London mounted a thoroughgoing, though confidential, assessment of Britain's potential "post-Hong Kong" role in Asian security. The Conservative administration is believed to have accepted a number of proposals which arose from this study, including the following:

- The semipermanent deployment of a frigate in eastern Indian Ocean and Southeast Asian waters
- UK participation in FPDA exercises should be expanded and this involvement should be supported by major naval deployments every three to four years on the scale similar to the one which covered the Hong Kong withdrawal in 1997
- The continuation of Britain's small, predominantly Gurkha garrison in Brunei for at least a further five years beyond 1998

Other European states, particularly France, but also Sweden and the Netherlands, have entered into various types of defence and security cooperation agreements with East Asian counterparts, but these have related almost exclusively to training, personnel exchanges, equipment procurement, and industrial and technological collaboration.[11] Though minor

[11]Ibid., 122.

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naval deployments by France and Germany have facilitated joint exercises with regional states,[12] there has been no indication that any of the European states are interested in committing themselves to more far-reaching military involvement in the region. However, West European interest in the region's security has also been evident in the European Union's participation in the ARF, British and French requests for individual ARF membership as well as the recent efforts to develop a security agenda as part of the Asia-Europe Meeting (ASEM) process.

The Changing Distribution of Military Power: Developments in the East Asian States

An East Asian Arms Race?

Despite the region's relative peace, a complex variety of factors has helped to fuel an unprecedented escalation in military spending and arms procurement in East Asia over the last decade. Whether or not recent military developments in East Asian states constitute an "arms race" is contentious, however. Most academic assessments, echoing East Asian governments, claim that regional states are simply using their newfound wealth to "modernize" their armed forces, implying the mere upgrading or replacement of existing equipment. But closer analysis reveals that many East Asian states are implementing expensive programs intended to develop new types of military capabilities which go far beyond "modernization" defined in such simplistic terms. To a greater or lesser degree, they are seeking to increase their armed forces' mobility, firepower (in terms of range, lethality, and accuracy), and ability to locate targets. Overall, the emphasis is on conventional weapons, but in the northern part of the region there is also a high-profile nuclear and long-range missile dimension to recent military programs.

To assert that an "arms race" is currently being run in East Asia would

[12]Ibid.; Antara News Agency, October 28, 1997, in BBC *Summary of World Broadcasts*, FE/3064 B/4 (October 31, 1997).

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suggest an intensity of competition which is largely absent at present, certainly on a region-wide basis. But there is evidence of what might be called an "interactive dynamic" between the military programs of certain pairs of states. The most obvious bilateral dynamic involves China and Taiwan, and North and South Korea, though there is also interaction between Japan and South Korea, and between Southeast Asian combinations such as Singapore and Malaysia. Moreover, mainly because of persistent bilateral tensions and the lack of clear, common threat perceptions, there is surprisingly little military cooperation between regional states, except in terms of exercises and exchanges which are aimed primarily at confidence-building.

The term "arms race" also suggests that striving to maintain national military equality or superiority is the principal motivation underlying East Asian military development programs. Tensions between regional states certainly persist—and in some cases are becoming increasingly evident. But while tensions between certain East Asian states may indeed provide an important rationale for national military programs in the region, other factors have usually been equally or more influential. These include both domestic and international, and "threat" as well as "non-threat," factors:

- The availability of increased state funds as a result of rapid economic growth
- The continuing role of the armed forces in political and economic decision-making in many East Asian states
- Large-scale internal security concerns, particularly for some Southeast Asian governments
- The impetus for military modernization and the development of defence industries as part of the overall processes of national modernization and industrialization
- Considerations of national prestige in relation to both neighboring states and domestic audiences
- The increasing salience of low-intensity maritime security issues, especially in relation to the protection of Exclusive Economic Zones
- Pressure from arms suppliers, facilitated by corruption in recipient states

But the most important underlying influence has almost certainly been uncertainty concerning the region's strategic future, particularly in terms of actual or potential changes in the roles of extraregional powers (most importantly that of the United States).

Military Spending

Few of the published figures on defence spending in the region, whether emanating from East Asian governments or from other sources, are entirely reliable, but there is nevertheless clear evidence that most states in the region have increased their military spending substantially over the last decade. This has happened at a time when defence spending in most other parts of the world has been declining. But recent economic problems in the region may lead to significant cutbacks.

The true level of China's military spending is highly controversial. The official figure in 1997 was approximately US$9.7 billion, but a more realistic estimate suggests that actual expenditure is of the order of US$35 billion. Between 1985 and 1996, the real value of China's defence spending probably rose by approximately 28 percent.[13]

Elsewhere in Northeast Asia, there were substantial increases in the real value of defence spending. According to the International Institute for Strategic Studies, the increases between 1985 and 1996 were most notable for Japan (48 percent), Taiwan (51 percent), and South Korea (77 percent). Simultaneously, in Southeast Asia, defence spending also grew dramatically in Indonesia (44 percent), Malaysia (47 percent), Thailand (57 percent), the Philippines (125 percent), and Singapore (144 percent).[14] In general, however, military expenditure increases have not exceeded the expansion of gross domestic product (GDP) or government spending. Indeed, in some cases (for example, Singapore), governments have explicitly geared defence funding to GDP.

A similar linkage has also been evident in the scaling down of the

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[13]"China's Military Expenditure," in *The Military Balance 1995/96* (London: IISS, 1995), 275; *The Military Balance 1996/97* (London: IISS, 1996), 179; *The Military Balance 1997/98*, 167.

[14]*The Military Balance 1997/98*, 295.

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defence programs for some East Asian states following shortfalls in economic performance in 1996-97. Slower than expected GDP growth in South Korea since early 1996 has led to cuts in planned increases in Seoul's defence budget and may cause the deferment of procurement plans.[15] With the intention of reducing its debt burden and budget deficit, Japan has cut more than US$8 billion from planned military expenditure in the late 1990s.[16] Southeast Asia's severe economic crisis of 1997 will almost certainly force some governments (particularly Thailand's and Malaysia's) there to stop increasing, or even to reduce, their defence spending for at least the remainder of the decade.[17]

Proliferation of Conventional Weapons

The most highly publicized aspect of the East Asian military build-up, evident throughout the region, has been the proliferation of new, more sophisticated conventional weapons systems. Reflecting the increased salience of maritime security considerations for East Asian governments, the recent emphasis on procuring naval and air systems has been particularly striking. While East Asian armies are generally contracting in size, many are becoming "meaner" as well as "leaner" with the development of better-equipped rapid deployment forces. Some of the most significant procurement has involved "invisible" systems. Because of their inherently undramatic physical form, these have received relatively little attention in the popular media, despite their crucial role as force multipliers.[18] These systems include:

- Secure command, control, and communications (C^3) systems, sometimes satellite-based
- Technical intelligence systems (including signals intelligence and high-resolution satellite imaging)

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[15] *Jane's Defence Weekly*, June 18, 1997, 15; *Flight International*, September 3-9, 1997, 17.

[16] *Jane's Defence Weekly*, June 11, 1997, 26.

[17] *Asian Defence Journal News Roundup* 1, no. 2 (August 1997): 5; *Straits Times*, September 17 and October 29, 1997; *Jane's Defence Weekly*, November 26, 1997, 45.

[18] See Desmond Ball, "Arms and Affluence: Military Acquisitions in the Asia-Pacific Region," *International Security* 18, no. 3 (Winter 1993/94): 96-102.

- Electronic warfare systems
- Advanced radar and sonar systems

Military Capabilities: Impact of the RMA in East Asia[19]

Though it is clear that regional states are acquiring sophisticated and expensive items of defence equipment, the mere procurement of new hardware does not necessarily or automatically translate into enhanced military capabilities. Qualitative factors, including adequate numbers of well-trained, highly-motivated personnel, an efficient logistic support system, comprehensive doctrine, combined arms and joint-service cooperation, and high readiness levels are all critically important in distinguishing those East Asian armed forces which are developing real capabilities from those which are merely incoherently purchasing prestige platforms such as ships, aircraft, and armored vehicles.

Military capability only has substantial meaning in relative terms. The bundle of contemporary technological and doctrinal developments usually summed up as the "revolution in military affairs" (RMA)[20] seems likely to accentuate existing divergences in military capability within East Asia as well as the differential between the capabilities of East Asian states and that of the United States, the main non-Asian power involved in the region's security.[21] Those states in the region able to deploy even partial or "hybrid" RMA-based capabilities will probably find themselves at a distinct military advantage over neighbors which lack these capabilities.

In Northeast Asia, elements of the RMA are already significantly enhancing the military capabilities of China, Taiwan, Japan, and South Korea.

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[19]This section has benefitted from the author's participation in the committee on "The Revolution in Military Affairs and Asian Security" at the 39th Annual Conference of the International Institute for Strategic Studies, Singapore, September 11-14, 1997.

[20]The RMA derives essentially from the synergistic combination of joint force doctrines, strategies and tactics, changes in military organization, and integrated logistic support with technological advances in ISR (intelligence collection, surveillance, reconnaissance), C^4 (command, control, communications, computer-processing), and precision force. In practical terms, the key to the RMA is the real-time integration of complex information and weapons systems. See Joseph S. Nye, Jr. and William A. Owens, "America's Information Edge," *Foreign Affairs* 75, no. 2 (March/April 1996): 23-24.

[21]See Paul Dibb, "The Revolution in Military Affairs and Asian Security," *Survival* 39, no. 4 (Winter 1997-98): 104-12.

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But Southeast Asian armed forces are inherently less able to absorb the RMA; Singapore is almost certainly the only state in the subregion to have moved far beyond the deployment of basic platforms within traditional military organizations into the realms of real-time integration of complex information and combat systems, joint force doctrine, and integrated logistic support.

International Suppliers and the Role of Local Defence Industry

U.S. restrictions on the transfer of advanced military technology, increasingly motivated by political as well as strategic considerations, are already contributing to efforts by many East Asian states to diversify their sourcing of defence equipment to include much greater procurement from Western Europe and Russia. During the 1990s, West European suppliers (mainly the United Kingdom, France, and Germany)—which are more willing than their American counterparts to supply "unbundled" technology packages[22]—have increased their share of total sales to the regional defence market to approximately 20-25 percent.[23] Russia's role as China's principal source of defence equipment and technology has been revived on a huge scale during the 1990s[24] and Moscow has begun to make inroads into other parts of the regional market, including Malaysia, Singapore, and South Korea.

Simultaneously, most states in the region are attempting to enhance their own defence industrial capabilities. East Asian defence industries are benefiting greatly from the technology transfer and offset arrangements which have become the essential "sweeteners" which outside arms suppliers must provide in order to secure contracts. Some claim, however, that many East Asian countries' prowess in developing and producing civilian information technology will, through a process of industrial "spin-on," fa-

[22]Susan Willett, "East Asia's Changing Defence Industry," ibid., no. 3 (Autumn 1997): 116.

[23]Dong-Ik Shin and Gerald Segal, "Getting Serious about Asia-Europe Security Cooperation," ibid., no. 1 (Spring 1997): 145-46.

[24]According to one source, the value of Russia's arms sales to China increased to US$728 million in 1996. Sergei Khrushchev, "Kalishnikov's Killing Machine," *Asia, Inc.* 6, no. 7 (July 1997): 61.

cilitate efforts to develop indigenous RMA-type capabilities.[25] However, only a select elite of national defence industries and their associated defence science organizations in East Asia—those in China, Taiwan, Japan, South Korea, and Singapore—are likely sufficiently sophisticated, particularly in terms of systems integration skills, to allow indigenous adaptation of civilian advanced technologies for RMA purposes.

In the long term, the increasing sophistication of indigenous defence industries—boosted by both technology transfer from the West (particularly Western Europe) and Russia and in some cases by the adaptation of advanced civilian information and communications technology—may mean that the influence of outside arms suppliers over the development of East Asian armed forces will decrease. However, even Japan—which possesses East Asia's most sophisticated defence industrial sector—is a long way from self-sufficiency in arms, and there is no sign that this is Tokyo's ambition.

Weapons of Mass Destruction: The Equalizer?

A crucial aspect of recent regional military developments concerns the spread of weapons of mass destruction (WMD) and associated strategic delivery systems, particularly in Northeast Asia. Analysts have written recently of the danger of a "*tsunami* of proliferation" in Northeast Asia.[26]

China continued nuclear weapons testing until as recently as May 1996, after which Beijing belatedly declared a moratorium and subsequently signed the Comprehensive Test Ban Treaty. Meanwhile, China has also been modernizing and expanding its inventory of long-range missiles, including the incremental enlarging of its ICBM force and developing new ballistic missiles with ranges of 8,000 and 12,000 km for service by the end of the 1990s. New shorter-range systems are also being developed, and were tested close to Taiwan in early 1996 as part of Beijing's effort to influence the island's first direct presidential election. Although agreeing in

[25]See, for example, Willett, "East Asia's Changing Defence Industry," 120-21.

[26]Gary K. Bertsch, Richard T. Cupitt, and Takehiko Yamamoto, "Trade, Export Controls, and Non-proliferation in the Asia Pacific Region," *Pacific Review* 10, no. 3 (1997): 423.

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1992 to abide by the guidelines of the Missile Technology Control Regime (MTCR), Beijing's continued export of missiles and missile technology has indicated only tentative commitment to abide by the "rules of the game."[27] Concern is escalating over China's cruise missile programs, which have included recent efforts to obtain jet engine technology from the United States to extend the range of the Silkworm to 1,800 km.[28]

North Korea's nuclear weapons program seems to have been contained by the Geneva Accord signed with the United States in 1994, but worries will persist for as long as the communist regime is in power. Evidence regarding Pyongyang's ballistic missile development is more clear-cut than that for its nuclear program. As well as developing (and exporting) extensively-modified, 300 km- and 500 km-range versions of Russian Scud missiles, North Korea is expected to deploy in 1997 the 1,000 km-range No-dong capable of reaching a large part of Japan. Two longer-range (1,500 km and 4,000 km) missiles are also being developed.[29] In addition, Pyongyang is developing advanced cruise missiles. North Korea remains outside the MTCR.

South Korea's nuclear weapons program has been frozen since the 1970s, but Seoul is clearly not a nuclear "innocent" and a future reunified Korea would be at least a "virtual" nuclear power. The SS-X program is believed to be aimed at developing a 250 km-range ballistic delivery system, and Seoul is understood to have considered abrogating its bilateral missile control agreement with Washington (restricting range to 180 km) in favor of joining the MTCR (which allows ranges up to 300 km).

Though avowedly and unsurprisingly (for historical reasons) averse to the development or possession of WMD, Japan is concerned about both Chinese and North Korean nuclear programs and has allegedly stockpiled plutonium with an eye on the possible eventual development of its own nuclear weapons. Similarly, although a founder member of the MTCR, Japan's civil space program could probably be adapted at short notice to

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[27]Mitchel B. Wallerstein, "China and Proliferation: A Path Not Taken?" *Survival* 38, no. 3 (Autumn 1996): 60-61.

[28]Nigel Holloway, "Cruise Control," *Far Eastern Economic Review*, August 14, 1997, 14-16.

[29]*The Military Balance 1996/97*, 172.

provide long-range delivery systems. Such developments, though, are unthinkable as long as the U.S.-Japan security relationship remains intact.

Taiwan has a highly-developed civil nuclear program, and is technically capable of developing nuclear weapons. Intensification of Chinese military pressure in the future might encourage Taipei to take this route, at the risk of alienating Washington and further provoking Beijing. Taiwan, which is not affiliated with the MTCR, is understood to be developing two types of ballistic missile, with 130 km and 950 km ranges.

WMD proliferation issues have been given added salience by the uneven absorptive capacity of East Asian states with regard to the RMA; possession of WMD and related delivery systems (both ballistic and cruise missiles) may be seen by states with relatively unsophisticated conventional forces as an effective asymmetric counter to RMA-rich adversaries. This calculation would be most relevant, of course, to possible future conflicts between the United States and China as well as between North and South Korea, either of which might implicate Japan. The ballistic missile threat has provoked considerable interest in deploying both national missile defence systems to defend the continental United States and theater missile defence to protect Japan, South Korea, and Taiwan.[30]

Significance of East Asian Military Programs

During the 1990s there has been a dramatic escalation in the defence spending of most East Asian states and almost all armed forces in the region have been attempting—with varying degrees of success—to transform their conventional military capabilities. In Northeast Asia, there are also serious problems in terms of actual and potential nuclear and long-range missile proliferation.

Of all the military programs in the region, China's is by far the most significant in terms of its likely long-term impact on the regional balance. However, the psychological and political impact of China's military mod-

[30]See Stephen A. Cambone, "The United States and Theater Missile Defence in North-east Asia," *Survival* 39, no. 3 (Autumn 1997): 66-84; Colin Gray, "The Role of Military Power in the Asia-Pacific Region in the Twenty-first Century" (Paper presented at the 1997 Pacific Symposium, Honolulu, April 28-29, 1997).

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ernization (on both other regional states, and in the West) has arguably been greater than justified by the actual improvements in its military capabilities so far. There is no evidence yet of a dramatic expansion of Beijing's actual capabilities for power projection and there is a widespread consensus among Western analysts that most aspects of China's military research and development effort, production technologies, and weapons systems lag one or two decades behind the West and Japan.[31]

Nevertheless, there is a vast difference between the scale of China's military programs and those of other regional states. There is considerable unease throughout the region, as well as in Washington, over the implications of China's growing power. The impression that China's power is expanding rapidly and inexorably is not due simply to its recent propensity to throw its somewhat limited strategic weight around—most notably in the South China Sea and the Taiwan Strait. As well as its nuclear status, China's snowballing economic strength and influence have also bolstered its perceived power, particularly from the viewpoint of the Southeast Asian states. In peacetime at least, perceptions of power may matter more than the reality.

Japan has incrementally been making substantial improvements to its military capabilities. Japan's navy, though weak in some areas, is overall the most impressive in Asia. While anxious to continue upgrading its defences despite the end of the Cold War, Tokyo—unlike Beijing—has tried to minimize the psychological impact of these improvements, however. For example, the Japanese government has carefully de-emphasized its construction of a vessel which might be seen both by non-Japanese observers and by domestic public opinion as an aircraft carrier.[32]

While important in their subregional contexts, the defence programs of other East Asian states are still of relatively limited significance when compared with the potential, if not actual, military power of China and, to

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[31]See, for example: Karl W. Eikenberry, "China's Challenge to Asia-Pacific Regional Security," in *Southeast Asian Security in the New Millennium*, ed. Richard J. Ellings and Sheldon W. Simon (Armonk, N.Y.: M.E. Sharpe, 1996), 95-96; Geoffrey Till, "China, Its Navy and the South China Sea," *RUSI Journal* 141, no. 2 (April 1996): 45-51.

[32]*Jane's Fighting Ships 1997-98* (Coulsdon: Jane's Information Group, 1997).

a lesser extent, Japan. Taiwan's growing military capabilities—particularly in terms of improvements to its air defences in the late 1990s—are clearly almost entirely focused on defending the Republic against mainland China. South Korea's defence modernization is still principally aimed at countering the North Korean threat, although its naval expansion suggests that broader rationales are also influential. The ASEAN member states are generally more concerned about their military status within Southeast Asia, than with deterring major threats from further afield.

Implications for the Region

The relative military power of the major powers involved in the region has changed significantly during the 1990s, with serious implications for regional and wider international security. The end of the Cold War at the start of the decade brought into being a multipolar distribution of power, in which the United States is the most powerful player. Russia is now virtually a nonplayer, although this may be a temporary aberration. American preponderance has been complicated, however, by the fact that many East Asian policymakers perceive that the U.S. commitment to the security of the region has declined substantially, although this may not actually be the case. The U.S. withdrawal from the Philippines did major psychological damage to confidence in America's continuing role. Moreover, Washington's policies on trade and human rights have sometimes undermined efforts to reassure its regional allies and associates of the centrality of concerns for East Asian security in American foreign policy. The United States' mastery of the RMA may enhance its military capabilities relative to those of regional states, but a continuing physical presence in the region is almost certainly vastly more important in terms of its influence on regional perceptions.

There is a widespread appreciation in the region that assuming both that China's rapid economic growth continues and that domestic economic and political tensions do not lead to profound internal fission, in the medium to long term (perhaps by the year 2020), China may well become a comprehensive great power deploying both military and economic power

on a vast scale. Although China's behavior as a comprehensive great power two decades into the future is inherently unpredictable, it is hard to envisage China as a great power not attempting to assume the role of a regional hegemon—unless Beijing was constrained from doing so by countervailing power. And whereas the United States is generally—though not always[33]—perceived in the region as a benign hegemon, at least some East Asian governments view with unease or even alarm the prospect of China assuming a more powerful and assertive, let alone hegemonic, role.

Other East Asian states have generally adopted a dual approach in dealing with China. The declaratory emphasis has been on mitigating China's disproportionate power by integrating the People's Republic into regional and global institutions—ranging from the ARF and APEC to the World Trade Organization—and through increased economic interdependence. But, simultaneously, there have been tentative efforts to reinforce the present, asymmetric balance of power in the region, principally by encouraging the United States to remain deeply committed to East Asian security.

In the absence of direct and substantial U.S. strategic involvement in the region, it seems virtually inconceivable that other East Asian states would be willing or able to attempt to balance China's increasing power using their own resources. To do so would probably require increases in national defence efforts on a scale which might seriously undermine East Asia's already evidently fragile economic progress. It would also necessitate much closer cooperation between still essentially mistrustful regional neighbors (such as Japan and Korea, and various combinations of Southeast Asian states) than is presently conceivable. By entrenching a relationship based on confrontation and mutual hostility, the formation of a regional anti-Chinese coalition would also require East Asian states to forego many of the economic benefits of cooperative relations with China. Japan would probably be forced to take on a leadership role within the regional

[33]Apart from the ritualized Chinese denunciations of the U.S. regional role, Malaysian Prime Minister Mahathir Mohamad has occasionally indicated his distaste for American preponderance in the region. Moreover, the region-wide economic crisis of 1997 stimulated more widespread anti-American sentiment.

coalition, and to develop and deploy its own nuclear weapons, a prospect as alarming to some other regional states as China's potential hegemony.

Indeed, a regional coalition against China seems to be a virtually unworkable proposition. If forced to make a choice, many—perhaps most—East Asian states would prefer, in Samuel Huntington's parlance, to "bandwagon" with Beijing rather to rely on their own combined resources to balance and contain China.[34] Certainly, key players such as Taiwan, Korea, and Thailand would probably prefer to kow-tow to than to confront China. But the present consensus in the region is that the necessity of making such a choice should be deferred indefinitely by relying on the United States, a benign hegemon, to maintain the present regional balance. The behavior of most regional states during the 1990s, particularly their willingness to maintain and within limits even enhance security links with Washington, indicates that they prefer the present uneasy status quo to either of the alternatives—acquiescence in China's rise to regional hegemony or undisguised confrontation. In the words of Singapore's elder statesman, Lee Kuan Yew:

> The Seventh Fleet, the 100,000 U.S. troops, and a network of access arrangements and alliances . . . are key stabilising factors. A military presence does not need to be used to be useful. Its presence makes a difference, and makes for peace and stability in the region. This stability serves the interest of all, including that of China.[35]

Implications for the United States

Whereas in post-Cold War Europe, "a wide assortment of mitigating factors . . . will dampen the potentially worrying consequences of a return to multipolarity,"[36] the transition since the late 1980s from an essentially bi-

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[34]Samuel P. Huntington, *The Clash of Civilizations and the Remaking of World Order* (New York: Simon & Schuster, 1996), 233-38.

[35]Speech by Senior Minister Lee Kuan Yew at the International Institute for Strategic Studies' Conference, Shangri-La Hotel, Singapore, September 12, 1997.

[36]Aaron Friedberg, "Ripe for Rivalry: Prospects for Peace in a Multipolar Asia," *International Security* 18, no. 3 (Winter 1993/94): 10.

polar balance in East Asia to a less clear-cut, multipolar pattern of power has increased the potential for strategic misperception and miscalculation. Given the relative weakness of East Asian states, the immaturity of East Asian regional institutions, and the shallowness of East Asian economic interdependence, there is considerable concern among Western analysts that, because of the tendency for wars to break out as the distribution of power among states shifts, Europe's pre-1945 past "could be Asia's future."[37]

How relations between major regional powers would develop in the absence of the close involvement of the United States in East Asian security is essentially unpredictable. But interactive weapons acquisition among regional states, and conflict between them could well result. And ultimately—perhaps within 20-25 years—China could quite conceivably become the preponderant East Asian power. Whether the United States should be crucially concerned about this is another question, however. There are essentially two divergent views.

The dominant view among Western analysts regarding the proper response of the United States to the changing distribution of power in East Asia is that a continuing central role for the United States in East Asian security is vital. For example, while accepting that "the emerging great power China does need to be treated with the respect that is proper to a great power," Colin Gray argues that "no great power can be permitted, alone, to define its 'security space' and security roles."[38] From this mainstream viewpoint, it is clear that not only must incipient Chinese regional hegemony be opposed, but also (in view of the weakness of the alternatives) that the United States is the only credible leader for efforts to balance China's emerging role. Others, such as Aaron Friedberg, have emphasized the vital role of the United States in containing Japan's latent power.[39]

Samuel Huntington has provided a powerful challenge to the mainstream view, asserting that "the avoidance of major intercivilizational wars requires core states to refrain from intervening in conflicts in other civili-

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[37]Ibid., 7.

[38]Gray, "The Role of Military Power," 16.

[39]Friedberg, "Ripe for Rivalry," 32.

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zations."[40] Indeed, in his scenario for a global civilizational cataclysm in the year 2010, U.S. naval intervention in a conflict between China and Vietnam provides the spark which widens the war from a limited regional spat.[41] Huntington argues that "Chinese hegemony will reduce instability and conflict in East Asia," and that "Asia's past will be Asia's future." Huntington claims that "[h]istory, culture and the realities of power strongly suggest that Asia will opt for peace and hegemony" rather than balance secured at the cost of conflict.[42]

While Huntington's arguments may be attractive to Eurocentric and isolationalist Americans, they are unlikely to find a sizeable constituency in the region outside China, except perhaps in the context of regional adjustment to a future American withdrawal. Despite their understandable interest in accommodating China on some issues, no East Asian government apart from Beijing or Pyongyang seeks a U.S. withdrawal from the region's security.[43] And notwithstanding Huntington's optimistic suggestions regarding the future pluralization and democratization of China's political system and the possibility that this might "ease relations with other powers,"[44] it is by no means clear how U.S. and more general Western interests (such as freedom of navigation through the South China Sea) would be guaranteed under Chinese hegemony.

The prudent and most likely course—and the one which still apparently underlies U.S. security planning assumptions—is for the United States to continue its role as a regional balancer on a long-term basis. Central to this strategy is an effort to ensure that Japan plays a fuller, if still auxiliary, role in helping to maintain the balance. Despite tensions over Japan's growing trade surplus, the bilateral U.S.-Japanese security relationship has been reinforced. In September 1997, Tokyo and Washington

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[40]Huntington, *The Clash of Civilizations*, 316.

[41]Ibid., 313-16.

[42]Ibid., 237-38.

[43]Even in the case of Malaysia, policy decisions (such as the continuation of exercises between the U.S. and Malaysian armed forces) may indicate a more profound consideration than does Mahathir's anti-American posturing of how national interests are best served.

[44]Huntington, *The Clash of Civilizations*, 238.

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agreed on a new set of guidelines on security cooperation, allowing for the much closer involvement of Japan's armed forces in supporting the U.S. regional military role.[45]

The more carefully managed balance envisaged in Washington will evidently not rest solely on calculations of relative power. Growing economic interdependence may become a significant constraint on destabilizing behavior in the region, particularly in terms of China's vital need for continued close economic links with the West, Japan, and Southeast Asia. Another factor which may aid in mitigating any tendency towards confrontation is the drive to engage China simultaneously in bilateral, trilateral, and multilateral dialogue. Indeed, the United States prefers to emphasize the notion of "engagement" as the leading component of its strategy towards China and carefully eschews the terminology of containment. Washington has placed great emphasis on providing Beijing with incentives for benign international behavior, particularly in terms of recognizing China's status as a great power. For example, after the summit between Presidents Jiang Zemin and Bill Clinton in November 1997, a senior U.S. official even spoke of a Sino-American "strategic partnership."[46]

The Clinton administration has also been concerned with assuaging Chinese anxieties over the intensification of the U.S.-Japanese security relationship. There have been repeated indications that Washington is keen to initiate a confidence-building trilateral security dialogue involving senior officials and military officers from the United States, Japan, and China.[47] Though Beijing has so far displayed reluctance to engage in such trilateral talks, the proposed four-power talks on Korea involving the two Koreas, China, and the United States could constitute a step in that direction.[48]

Wider multilateral security mechanisms may also have a part to play in Washington's efforts to stabilize the present regional balance. It is clear

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[45]Nigel Holloway and Peter Landers, "Menage *á trois*?" *Far Eastern Economic Review*, October 9, 1997, 24-28.

[46]Statement by Stanley Roth, U.S. Assistant Secretary of State for East Asian Affairs, quoted in *Straits Times*, October 29, 1997.

[47]See note 45 above.

[48]Nye, "China's Reemergence," 76-77.

that a multilateral security structure based on notions of common security and overseeing a range of confidence- and security-building measures in East Asia (as represented by the ARF and associated "second-track" dialogue processes) cannot on its own provide an adequate framework for regional security. Progress so far has hardly been spectacular. Being mainly weak states which place great emphasis on the protection and enhancement of their sovereignty, East Asian states have steered clear of any notion that they should become involved in some sort of regional equivalent to Europe's OSCE (Organization for Security and Cooperation in Europe) given its highly intrusive inspection mechanisms concerned with human and civil rights as well as arms control. Nevertheless, the ARF and other multilateral forums—ideally including a "Northeast Asian Security Organization"[49] may provide additional frameworks for regional security discussions including all three major powers. However, there are some in Washington who fear that China is already attempting to use multilateral processes such as the ARF as a means of weakening the U.S. bilateral security links with regional states.

However, recent American efforts to stabilize the existing East Asian balance of power have left a number of important questions essentially unresolved:

- Most fundamentally, will the United States maintain the economic strength and political will to sustain a long-term role as the most powerful of two or three leading players in East Asian security? How will the reunification of Korea—arguably likely in the medium term—affect Washington's attitude towards its regional security role?
- Will Japan develop the political will to play the more assertive role which participation in such a balance will require? More pointedly, will such a Japanese role be acceptable to China, not to mention Korea and those Southeast Asian states with unhappy memories of Japan's regional role during the 1940s? Or might Japan, particu-

[49]See Kyung-Won Kim, "Maintaining Asia's Current Peace," *Survival* 39, no. 4 (Winter 1997-98): 63-64.

larly if its trade disputes with the United States persist, see bandwagoning with China as a less dangerous and more congenial option?

- To what extent will China be willing to cooperate in maintaining the type of managed balance of power envisaged in Washington? Such a cooperation would implicitly reaffirm the legitimacy of a continued leading role for the United States in East Asian security (as well as an increased Japanese stake) while simultaneously constraining what China sees as its rightful, more central role. Thus would not Beijing, as an ascendant power, prefer to pursue regional hegemony?
- What would be the role of regional medium powers and peripheral major powers under a more carefully managed tripolar balance? How would Russia, a possibly reunified Korea, Indonesia, and possibly India fit into such a scheme? Russia's potential role is particularly controversial. While some might assert that Russia is not only "down" but also permanently "out," others see the possibility of a revival of Russian power in the medium to long term. Some holding the latter view note Moscow's deep anxiety over relations with Beijing and see potential for Russian involvement in a quadrilateral balance, effectively easing the strategic burden on the United States and Japan. They also fear, however, that NATO enlargement to Russia's west may impact negatively on its willingness to cooperate in the east.[50]

Implications for Europe

In view of the United States' preeminent regional role, there is a tendency for U.S. analyses and viewpoints to dominate Western debates on

[50]Indeed, David Calleo sees Russia as potentially a more useful ally for the United States than Japan in the long term. See David P. Calleo, "Geo-strategic Dissonance? American Policy in Asia and Europe" (Paper presented at the 14th Sino-European Conference, Geneva, September 23-24, 1997).

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East Asian security. One unfortunate result has been the relative neglect until recently of any serious consideration of Western Europe's interests in and potential contribution to regional stability.

To a large degree, European interests in East Asian prosperity and security are congruent with those of the United States, although there are sometimes different emphases in the areas of trade and human and civil rights. In essence, the prevailing regional balance of power, in which the United States preponderates, serves European interests well. Conversely, any substantial change in the American role in East Asia, leading to regional instability and, ultimately, Chinese dominance could severely damage Europe's interests, particularly in the economic sphere.

There has been a degree of revival in West European interest in East Asian security and in European states' individual and collective efforts to increase their role in the region's "soft security" by assisting the development of regional confidence-building measures and "preventive diplomacy" through the ARF, ASEM, and second-track dialogue processes. It is arguably both necessary and feasible, however, for Europe to contribute—in a small way—in the area of "hard security." As a recent RAND report emphasized, for the United States to maintain its global strategic role in the face of domestic economic and political constraints will require Washington to share not only its burdens but also its leadership with major allies. The most obvious implication for Western Europe is that European states will need to become more self-reliant as far as the defence of their own continent is concerned, thereby freeing the United States to focus its resources in East Asia where its allies and associates are militarily weaker and less coordinated.

A secondary implication is that certain West European states could more directly assist the United States in maintaining its East Asian security engagement. While such assistance could probably have only a minimal impact in military terms, the effect on public and political opinion in the United States could be more far-reaching. This role could be implemented on a bilateral basis or, more satisfactorily, through the extension of NATO's ambit to include "out-of-area" deployments including provision for at least token forces to assist the United States in East Asian crises. Such an extension of NATO's responsibilities would underline the appropriateness of a

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degree of readjustment in the present division of labor within the alliance. European deployments to East Asia would necessarily primarily involve maritime forces, and it would be logical for European states with strong navies to take the lead in return for reduction in their semi-redundant role in continental defence. However, there may be significant domestic political obstacles in the way of West European states pursuing a more active role in East Asian "hard" security, despite the apparent strategic logic behind the idea. Public opinion in Western Europe might prove to be ambivalent in relation to Asian deployments, particularly at a time of budgetary stringency.

Conclusion

Some observers may have exaggerated the scale and immediacy of the challenge posed to the stability of the East Asian balance of power by recent developments. Neither the demise of the U.S. regional strategic role nor Chinese regional hegemony are contemporary realities and there is considerable evidence that threat-based rationales are by no means the only or even the dominant influences on the defence policies, military spending levels, and arms procurement of Japan and other smaller East Asian powers. There are clear undercurrents of danger, however, and the sometimes exaggerated current perceptions could foreshadow future developments. Contemporary trends, particularly in terms of America's questionable staying power as regional balancer and China's transformation into an increasingly comprehensive power, do pose real challenges to the status quo.

Optimists may assert that efforts to construct a multilateral regional security dialogue through the ARF and other institutions and the intensification of regional economic interdependence will increasingly impose constraints on aggressive behavior in the region. It will be many years, however, before these factors are sufficiently powerful to mitigate the dangers of East Asia's unstable multipolarity:[51] power-based calculations are

[51]Friedberg, "Ripe for Rivalry," 28.

likely to dominate the security outlooks of regional states for the foreseeable future. While efforts to strengthen regional institutions and to facilitate greater regional economic interdependence are clearly important long-term investments, building on the existing regional balance of power provides the most feasible option for ensuring more stable and assuredly peaceful international relations in East Asia.

The key factor preventing the degeneration of the East Asian security situation into more naked military competition will remain the U.S. regional military commitment. While the durability of this commitment has been questioned, virtually all East Asian governments would prefer Washington to maintain its role as regional balancer. As long as China is viewed regionally as a rising and potentially threatening power, a decision by the United States to withdraw or significantly reduce its forces in East Asia or a failure by Washington to deter or to act decisively in the event of a regional security crisis (such as an attempt by China to reunite with Taiwan forcibly, or an escalation of the Sino-Japanese dispute over the Senkaku Islands) could have a dire effect on the regional balance. Serious doubt would be cast on Washington's regional security commitment and could lead to the lifting of restraints on key East Asian national military programs. Most worryingly, such a regional security crisis could affect Japanese domestic political opinion to the extent that Tokyo might feel obliged to expand its military capabilities substantially—and perhaps deploy nuclear weapons—despite the economic and political costs of doing so. But the formation of a regional anti-Chinese military coalition, led by Japan, would be unlikely. Indeed, unfettered Japanese rearmament outside the context of Tokyo's alliance with Washington could provoke a response from Korea and perhaps some of the ASEAN states. Some—but not necessarily all—of these smaller regional powers could well prefer to "bandwagon" with, rather than attempt to balance against, Beijing.

Overall, any substantial change in the U.S. regional strategic posture would inject a much higher degree of instability and insecurity into East Asian security environment. Despite widespread criticism of the Clinton administration's often uncoordinated and insufficiently prioritized Asian policies, however, recent signals from Washington—ranging from the forthright response to the Taiwan Strait crisis in early 1996 to the rein-

forcement of the United States' key regional alliance relationships with Japan and Australia—indicate that such a scenario is unlikely to eventuate in the near- to medium-term future.

Responsibility for reinforcing the present regional balance must rest primarily with the United States, Japan, and other regional states. West European states could contribute on a small scale to East Asian "hard security" not only by becoming more self-reliant in their own defence, but also by contributing forces in support of the United States' regional role. However, European governments might find such "out-of-area" commitments hard to justify to domestic political constituencies.

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