



**CSCAP**  
COUNCIL FOR  
SECURITY COOPERATION  
IN THE ASIA PACIFIC

# CSCAP



REGIONAL

SECURITY  
OUTLOOK

2016

## COUNCIL FOR SECURITY COOPERATION IN THE ASIA PACIFIC

Established in 1993, the Council for Security Cooperation in the Asia Pacific (CSCAP) is the premier Track Two organization in the Asia Pacific region and counterpart to the Track One processes dealing with security issues, namely, the ASEAN Regional Forum (ARF), the East Asia Summit (EAS) and the ASEAN Defence Ministers Plus Forum.

It provides an informal mechanism for scholars, officials and others in their private capacities to discuss political and security issues and challenges facing the region. It provides policy recommendations to various intergovernmental bodies, convenes regional and international meetings and establishes linkages with institutions and organisations in other parts of the world to exchange information, insights and experiences in the area of regional political-security cooperation.

### ***Front cover image***

Satellite image of Fiery Cross Reef under construction, 11 April, 2015.

Source: Centre for Security and International Studies  
Asia Maritime Transparency Initiative

### ***Back cover image***

Monks in Angkor Wat, Siem Reap, Cambodia.  
Source: Jan Huisken

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## LETTER FROM THE CO-EDITORS

On behalf of CSCAP, we are pleased to present the CSCAP Regional Security Outlook (CRSO) 2016. Inaugurated in 2007, this is the ninth annual CRSO volume.

The CRSO brings expert analysis to bear on critical security issues facing the region and points to policy-relevant alternatives for Track One (official) and Track Two (non-official) to advance multilateral regional security cooperation.

The views in the CRSO 2016 do not represent those of any Member committee or other institution and are the responsibility of the individual authors and the Editor. Charts and images in the CRSO 2016 do not necessarily reflect the views of the chapter authors.

Ron Huisken and Olivia Cable

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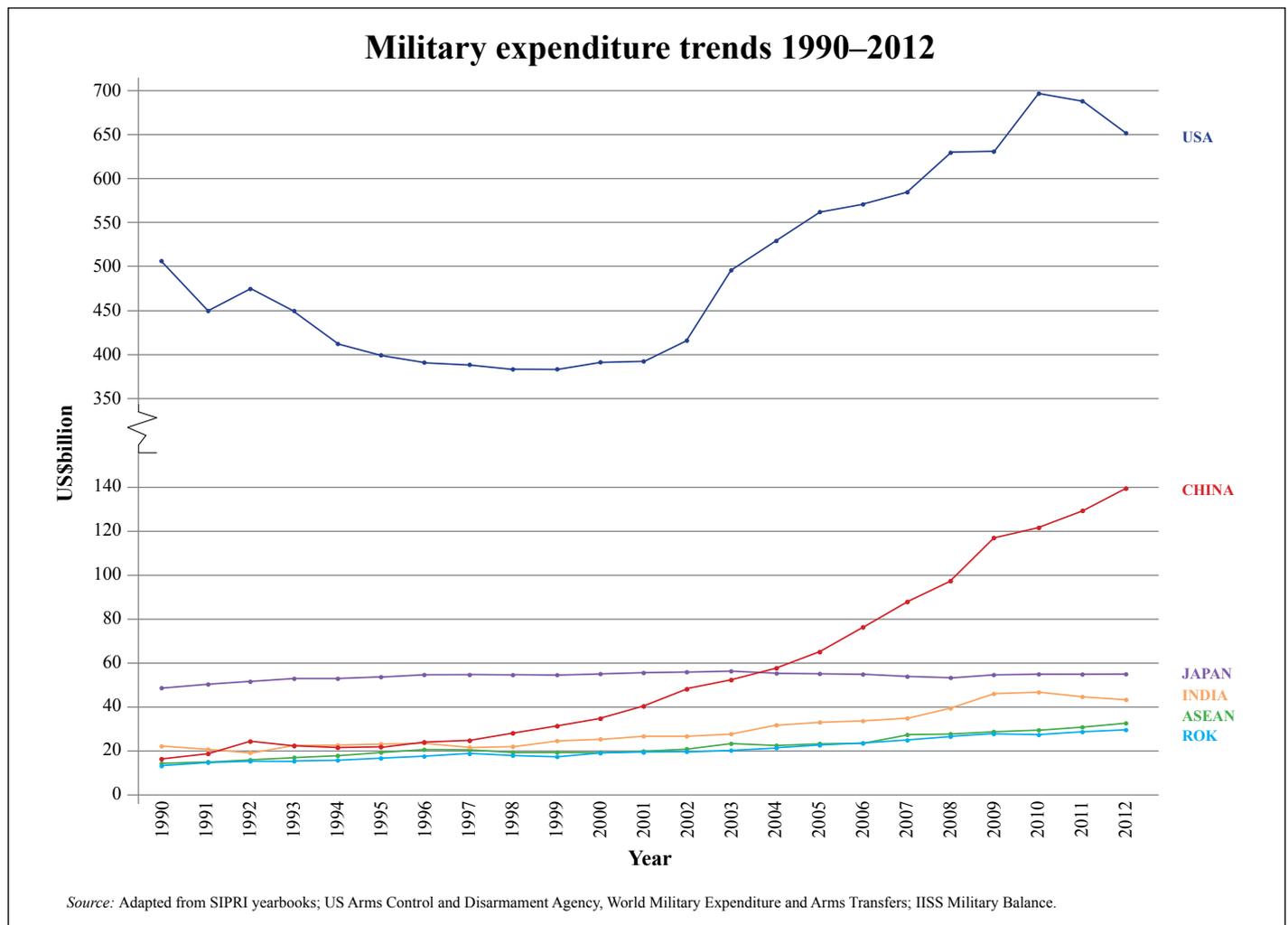
# The Outlook for Security in the Asia Pacific: Uncertain

Ron Huisken

The assessments assembled in this volume broadly confirm the judgement that the Asia Pacific continued over the past year to deplete its most precious asset: the confident expectation that the region could preserve order and stability while managing a strategic transformation of historic proportions. The resolve of governments, the influence of robust bilateral political, economic and security relationships and the

authority of regional multilateral processes have failed to prevent the further erosion of the security order and a matching intensification of military posturing, partnering for security purposes and the like. The states of the region are still spending a lot of time in dialogue but along critical channels the degree of engagement, communication and understanding appears to have encountered sharply diminishing returns.

The spreading concern about the security environment in the region means that it is incumbent on analysts to avoid simply joining in and strengthening a bandwagon that in itself could make troubling outcomes more likely. The sobering aspect of recent trends is that it is certainly not confined to the media but extends to political circles in most states of the region (including President Obama, quoted in the CSCAP Regional Security Outlook



2015). For the first time in 10 years, the 2015 risk assessment prepared for the World Economic Forum listed 'interstate war' as the most likely of the risks that could have a significant negative impact on the global economic outlook.<sup>1</sup> Further, some of the world's most respected academics are expressing concern, most recently Graham Allison, Director of the Belfer Center for Science and International Affairs at Harvard and, in the past, the author of a seminal work on the 1962 Cuban missile crisis. Allison has written that war between the US and China is "more likely than is recognized at the moment."<sup>2</sup> The sense one has is not of imminent war but of a wearing down of the margin of safety, the room for error and the capacity to absorb shocks that we could regret in the future.

The United States and China are at the core of this adverse trend. China, it would appear, remains of the view that the established powers continue to resist and frustrate China's achievement of policy objectives that are legitimate and reasonable given its growing strategic weight and influence in regional and global affairs. The US, for its part, is no longer reticent about acknowledging either China's substantive capacity to challenge America's role and status in the Indo Asia Pacific or its determination to do so. The US appears to have become more resigned to the likelihood that achieving a stable co-existence with a powerful China will involve a prolonged period of geo-political contestation. The events of the past year have confirmed this underlying trend rather emphatically.

Fortunately, President Xi's first state visit to the US in September 2015 went reasonably well. The two leaders were serious and cordial, while giving little outward sign of genuine rapport. They sustained their strong posture on climate

change, reached an important agreement on managing air-to-air encounters and strengthened their commitment on state-sponsored economic cybertheft. Xi and Obama tried to tackle the latter issue in Sunnydale, California in 2013 and agreed to set up a bilateral working group within the annual high-level Strategic and Economic Dialogue. From the American perspective, however, the problem did not diminish. President Obama resorted to simple and public exhortations to alert Beijing to the disproportionate damage the cyber activities attributed to China were doing to official and public attitudes toward China and the mounting pressure he faced to take counter-vailing steps. American officials also insisted that advances in tracing hackers had long since striped cyber theft of political anonymity and, for all practical purposes, of legal anonymity as well, that is, that the US had very precise information on where and who.

In Washington, the two leaders agreed that neither side would 'conduct or condone' such activities, with Obama adding that the US would be very serious about verifying compliance. On the other hand, Xi's proposal to work toward a new model of major country relations remained at the level of abstract, motherhood assertions well removed from the attitudes and perceptions driving the actual conduct of the two parties. As the four essays on this theme make clear, in the absence of a deeper understanding on strategic intent and clearer thinking on how changed behavior would play out in the real world, this initiative may have already run its course.

Beijing was managing the launch of its popular Asian Infrastructure Investment Bank, had proposals in play for enhanced land and maritime trade routes that it wanted to call new 'Silk Roads' and

was assigning major prominence to an amalgamation of these proposals in the 'One Belt, One Road' concept. Beijing also quietly launched a carefully pre-planned program to develop seven submerged features in the Spratly Group in the South China Sea into artificial islands, some large enough to dock ships or operate medium-sized fixed wing aircraft. This program surged rapidly into a frantic, large-scale operation that, in the age of satellite photography, gradually pushed the rest of Beijing's foreign and security policy agenda off centre stage and into the shadows. By the time China declared in June 2015 that the program was approaching completion the political climate in the Asia Pacific had become noticeably colder and more complicated.

The majority of ASEAN states, together with the US and Japan, appeared to signal new resolve to deny Beijing any significant and enduring strategic gains from this pre-emptive move. The US pointedly flew maritime surveillance aircraft close to the new islands and several naval exercises were conducted in the area (Japan-Philippines; US-Philippines; and China). ASEAN leaders and Foreign Ministers issued statements that described this lightning transformation of the Spratly Island group as having "...eroded trust and confidence and may undermine peace, security and stability in the South China Sea".<sup>3</sup> Beijing's public diplomacy on the episode was something of a tangle, ranging from pugnacious statements that it could do whatever it wanted with its possessions in the South China Sea, through claiming that it was doing no more than other claimants had already done, to the assertion that the new islands would enable China to be a better neighbor in the area. The crisis was eventually eased through the by-now familiar diplomatic device of China and ASEAN agreeing to

comply with the non-binding 2002 Declaration on a Code of Conduct in the South China Sea and promising to accelerate their interminable negotiations on a binding set of rules for this arena.

Beijing has carefully and discreetly protected the option of using the new islands to introduce new military capabilities to the South China Sea. This will further ensure that this issue will become imbedded as a source of controversy and instability.

In 2014, one of the more prominent concerns fueling pessimism about the regional security outlook was the enduring rift between China and Japan, especially the fact that years were slipping by without a face-to-face leaders meeting. That stand-off seemed to end at the Asia-Pacific Economic Cooperation (APEC) summit in Beijing in November 2014, although both President Xi and Prime Minister Abe made it abundantly clear that they were not overjoyed. Early in the new year, the foreign ministers of China, Japan and South Korea conducted a positive meeting that seemed to promise further engagement at the leaders level. These hopes faded and, by mid-2015, it was also clear that the 70<sup>th</sup> anniversary of Japan's surrender would not constitute a circuit breaker. Expectations for Abe's much anticipated speech on the anniversary shrank to hopes that he would not step back from earlier expressions of remorse and responsibility. China, for its part, elected to go ahead with the traditional—but rather lavishly spectacular—military parade, rather than a more subdued commemoration of this milestone. Shortly thereafter, Japan's enactment—in the face of strong public and political opposition—of legislation to allow a constrained right to collective defence and to allow the Japan Self-Defense Force (JSDF) to assist an ally even when

Japan itself was not under direct attack, provided further signals that the region would continue to look back rather than start to build a reliably different future. Despite these ongoing stresses, there were indications that a trilateral summit (China, Japan and South Korea) might still be agreed for late October or November 2015.

The reconstruction of the China-Japan relationship is a critical piece of business that remains on the regional agenda. These two countries, in particular, need to think carefully not only about whether Japan's actions can credibly be seen as a revival of militarism, but also about why the Abe government has been prepared to incur severe, possibly even fatal, political injury to secure these qualified amendments to the role of the JSDF. Opinions vary rather widely on where the balance of responsibility for the current impasse should be located but there can be no doubt that both sides have work to do to jettison the baggage of the past and define the options for the future.

Further evidence of a perceived deficit in the region's capacity to cope peacefully with current and

expected future stresses has been the continued attractiveness of hedging against the current order being up to the task. A political appetite for new or the further qualitative enhancement of recently established security ties remained evident across the region. Beyond the formal US alliance (with Japan, Republic Of Korea, Australia, New Zealand, the Philippines and Thailand), the countries that added in some way to the thicket of security linkages in the region included India and the US; India and Japan; Japan and the Philippines; Japan and Vietnam; Japan and Australia; Australia and South Korea; and Vietnam and the US. China has a single formal ally, the Democratic People's Republic of Korea, but has active security relationships with Pakistan, Russia, Vietnam, Myanmar, Indonesia, Thailand, Sri Lanka and its four central Asian partners in the Shanghai Cooperation Organization. Russia, too, is seeking to remind everyone that it is an Asia Pacific power, despite its prevailing economic difficulties and a current politico-strategic agenda focused heavily to the west of the Urals.

If it is accepted that a special effort should be made to arrest the on-going erosion of the security



Chinese President Xi Jinping during a Military Parade at Tiananmen Square, Beijing, September 3 2015, to Mark the 70th Anniversary of Victory over Japan and the End of World War II. Source: Xijipingoffice Instagram.

order in the Asia Pacific and shift the trend of events onto a more positive trajectory, who might take the lead and what could they seek to accomplish? It cannot be said that the region lacks opportunities for leaders and the key figures for foreign affairs, trade, and defence to address concerns and intentions, identify common interests, resolve or reconcile differences and so on. It is true that, at the level of leaders, the APEC summit is not optimized to address the security agenda while the East Asia Summit is still growing into an institution capable carrying this formidable responsibility let alone being accepted by key leaders as the forum in which they must and/or want to address the region's primary security issues. On the whole, however, it is hard to argue that a basic deficiency is a lack of opportunities for key decision makers to meet and address the big issues confronting the region. In addition, China and the US, have a sufficiency of regular bilateral meetings—from formal and informal summits, through their annual cabinet-level Strategic and Economic Dialogue, to meetings—on-demand between key principals.

This also means, of course, that these two countries are not likely to be the source of a drive toward a new security narrative for the region. If circumstances are considered to be sufficiently worrying or are deemed to have the potential to reach such depths, interrupting an adverse trajectory and inviting consideration of more positive alternatives is a challenge that may fall to the region's so-called 'middle powers'. This is not a challenge to be lightly proposed or accepted. Canvassing regional concerns and remedies, and reflecting them with integrity as the inspiration behind a novel approach or process that would attract the earnest engagement of the US and China is no trivial undertaking.

The country or countries involved will have to find the right political and bureaucratic personnel, give them sufficient time to gauge and evaluate regional attitudes, devise a plausible fresh approach and consider the most effective means of giving the new approach traction. The scope to appear as some combination of biased, naive, unimaginative and incompetent is considerable. But it may be prudent for states like South Korea and Australia to discreetly engage in preparatory discussions on such an initiative.

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- 1 "Global Risks 2015", 10<sup>th</sup> Edition, World Economic Forum, 2015.
- 2 Graham Allison, "The Thucydides Trap: Are the US and China Headed for War?", *The Atlantic*, 24 September 2015.
- 3 These words appear in the ASEAN Summit Chairman's Statement, 27 April 2015 and the ASEAN Foreign Ministers Joint Communiqué, 4 August 2015.

# The Pivot: A Sound Policy in Need of Serious Repair

Michael J. Green

President Barack Obama's pivot/rebalance to Asia is neither as transformational as the administration claims, nor as short-lived as allies in the region fear. In July 2015 the Center for Strategic and International Studies (CSIS) published the results of a survey of regional strategic elites in which an average of 79 percent of respondents across Asia welcomed the goal of the pivot/rebalance, 51 percent thought it was poorly resourced and implemented, but 57 percent nevertheless thought that the United States would continue to lead the definition of order and power in Asia over the coming decades.<sup>1</sup> That sounds about right.

President Obama came to office with unique experiences in Asia and the Pacific, but generally built on policies established by his predecessor, including the trans-Pacific Partnership (TPP), realignment of US forces in the region, the pursuit of stable relations with China, and the continued strengthening of alliance relations. The initial spin of his White House political advisors notwithstanding, the United States had never left Asia during the Bush administration. In fact, the Chicago Council on Global Affairs found in its 2008 survey of soft power in Asia that publics in the region thought the United States had *increased* its soft power influence over the previous decade more than any other power, including China.<sup>2</sup> Yet Obama also added new pillars to American engagement in the



Defense Secretary Ash Carter and Vietnamese Defense Minister General Phung Quang Thanh hold a news conference in Hanoi, 1 Vietnam, 2015. Source: US Department of Defense.

region, including participation in the East Asia Summit and a more active diplomacy in Southeast Asia. Moreover, since 2011 polls have demonstrated that the American public now for the first time identifies Asia as the most important region in the world to US interest, while the 2014 CSIS survey found that 96 percent of American foreign policy experts surveyed supported the pivot/rebalance—regardless of their party affiliation. In other words, the increased American focus on Asia and the Pacific is likely to continue beyond the Obama administration.

That said, American policy in Asia will continue to require serious attention under the next administration. It would be a mistake to either praise or bury the pivot. Instead the next

President will have to add clarity and purpose in five areas.

## Strategic conceptualization

Pivoting to Asia is not really a strategy. Strategy requires identification of ends, ways and means—something the administration has failed to do in any consistent or coherent way for years now. The term “pivot” was introduced in Secretary of State Hillary Clinton’s November 2011 *Foreign Policy Magazine* article and was then elaborated on in President Obama’s speech before the Australian Parliament in Canberra on November 17. By 2012, it was relabeled as America’s “rebalance” to Asia in the 2012 *Defense Strategic Guidance*. Prior

to those brief declarations that the United States intended to pay more attention to the region, there was no hint of the strategy. The Administration's May 2010 *National Security Strategy* made no reference to a refocus on Asia and articulated no objectives for the region as a whole, lumping China into a section on engaging "Other 21st Century Centers of Influence" and Asian allies after North Atlantic Treaty Organization in a section emphasizing the need to "Ensure Strong Alliances". A survey of speeches on the rebalance to Asia by principals in the administration demonstrates constantly shifting and often contradictory priorities.<sup>3</sup> The administration's vision of order in Asia has shifted from vowing to respect "core interests" with China in the November 2009 Obama summit with Hu Jintao; to listing China as a threat alongside Iran in the January 2012 Strategic Guidance; to welcoming Xi Jinping's proposal for a "New Model of Great Power Relations" in 2013, before walking away from that formulation because allies were concerned at the emergence of a bipolar condominium forming with Beijing at their expense.

The next administration should not reject the rebalance, but rather, articulate clearly and consistently the order the United States seeks to shape in Asia. The most successful and sustainable concept will be one centered unequivocally on allies with a priority on securing a rules-based order where smaller states are not coerced and cooperation with China is a means to that end rather than an end in itself.

## **Willpower and defense resources**

Rebalancing to Asia will not be credible if the larger relative share of defense resources is coming out of a shrinking pie and the

president is not willing to contest challenges to the prevailing order. It is important that the US Navy has pledged to go from deploying 50 percent of its fleet in the Pacific to 60 percent. The Chief of Naval Operations also deserves credit for already reaching roughly the 58 percent mark. However, the Administration's unwillingness to fight for the Secretary of Defense's budget proposals and the passive reaction to sequestration and the budget impasse with Congress have seriously damaged the credibility and operational sustainability of the rebalance. The White House was obviously unhappy when Assistant Secretary of Defense for Acquisition, Katrina McFarland, told the press in April 2014 that because of budget pressures, "the pivot is being looked at again, because candidly, it can't happen".<sup>4</sup> She revealed the serious nature of the challenges. The current defense budget trajectories will make it extremely difficult to invest in forward presence and the so-called "Third Offset" needed to develop technologies that counter ballistic missile and other asymmetrical threats to US forces and American allies. With leadership, the next President can eliminate the sequestration threat in Congress and set the budget on a more predictable and effective trajectory.

Willpower also matters. When President Obama suddenly reversed his pledge to use force against Syria for chemical weapons use in September 2013, there were shudders among national security officials in Tokyo and Seoul. The Administration's obvious hesitation to order Freedom of Navigation operations or other measures in the face of China's rapid construction of four 3000 meter military-spec airfields on features in the South China Sea has also raised concerns. While it is true that these military facilities would be easy targets in a conflict, that is not true with respect

to the gray zone coercion short of war, or in terms of the forces the United States would have to devote to the problem in an already complex operational environment inside the First Island Chain. The challenge for the next President will be how to restore confidence in American willpower without exacerbating security tensions in the region.

## **Future engagement of ASEAN**

The administration deserves credit for stepping up its game in Southeast Asia. There was considerable debate in the White House about whether joining the East Asia Summit might undermine Asia Pacific Economic Cooperation (APEC), but Indonesia helped to solve the problem by aligning the Bali summit with APEC on the calendar in 2011. Secretary Clinton also compensated for the inconsistent attendance of the Clinton and Bush administrations in the ASEAN Regional Forum (ARF) and removed an irritant in US relations with ASEAN by engaging Myanmar just as President U Thein Sein was ready to undertake reforms on his own. The demand signals from Southeast Asia for more US engagement in the wake of Chinese assertiveness were important, but it was also the case that the Administration saw the strategic opportunity and took it.

The problem is that all the easy work is now over. Growing political crises in Thailand and Malaysia and the reversal of opening and reconciliation in Burma/Myanmar leave the next US administration with hard choices. The Administration also appears less energetically engaged as new more Euro-centric leadership has taken over at the State Department. Perhaps most troubling, the effort to support multilateral diplomatic engagement in EAS and ARF

on the territorial issues in the South China Sea is becoming increasingly irrelevant as Beijing takes unilateral steps to solidify its control over the so-called Nine Dash Line.

## The ticking North Korean problem

The Administration has declared a policy of “strategic patience” on North Korea—neither investing credibility in high level negotiations like the Agreed Framework and Six Party Talks, nor significantly increasing pressure on Pyongyang. The lack of engagement is entirely justified by Pyongyang’s provocations and declaration of nuclear weapons status in 2012. Meanwhile, the Obama Administration has done a creditable job aligning diplomatic policies and counter-provocation plans with Seoul.

However, Pyongyang has also used this period to continue work on uranium and plutonium based weapons and long-range delivery systems. Many experts expect a major missile test on the anniversary of the Korean Workers Party with a nuclear test to follow on October 10. Strategic patience will not be a sustainable framework for much longer. The United States should have shifted to more proactive interdiction and sanctions policies some time ago, and will likely have to do so in the coming years. How this will be combined with diplomacy depends on a number of variables, including North Korea’s stance, but America will have a stronger grasp of the issues if progress can be made on the fractured Japan-Korea ties.

## Trans-Pacific Partnership

Obama campaigned against trade agreements and was then very slow to make the public case for

Trade Promotion Authority (TPA) and the Trans-Pacific Partnership (TPP) with the Congress and the American people after being elected. With the Republican victory in Congressional elections in 2014, the administration began doing the hard domestic political work of rallying support for the agreements (which require Republican votes) and passed the TPA in 2015. Whether there is enough time left on the American political calendar (not to mention all the other partners’ political calendars) for the TPP remains to be seen, but an agreement and even ratification in the US Congress still seem possible by the end of the Obama administration. The credibility of the pivot will rise or fall on this outcome. Now that the TPP has come into force in October 2015, the next administration will need to pick up work on the complementary parts of trans-Pacific economic strategy, including the largely moribund Bilateral Investment Treaty (BIT) negotiations with Beijing and an economic cooperation formula for the ASEAN states not in TPP. If TPP fails, the next administration will have a very large hole to dig out of before it can restore confidence in the American commitment to free trade and economic engagement in Asia.

## More work to be done, but much to work with

The 2014 CSIS survey of regional strategic elites found that a plurality of respondents across the region viewed continuous US leadership as preferable to the alternatives (Sino-centrism, a US-China condominium, a multipolar balance of power, or multilateral institutionalism).<sup>5</sup> Despite the conceptual, resource and diplomatic flaws in the pivot, the next administration will likely have strong foundations for expanded engagement with Asia and the

Pacific, including an American public more focused on the region and a region now more focused on the United States.

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- 1 Michael J. Green, Nicholas Szechenyi, et. al., *Power and Order in Asia: A Survey of Regional Expectations* (Center for Strategic and International Studies, Washington, DC, July) 2014.
- 2 Christopher B. Whitney et. al., *Soft Power in Asia: Results of a 2008 Multinational Survey of Public Opinion*, (The Chicago Council on Global Affairs, News Results and Analysis, 2009), pp. 7-11.
- 3 For a comparison of administration speeches on Asia, see, Michael J. Green and Zack Cooper, “Revitalizing the Rebalance: How to Keep the US Focus on Asia,” *The Washington Quarterly*, 37:3 2014, pp. 28-31.
- 4 David E. Sanger and Mark Landler, “Obama’s Strategic Shift to Asia Is Hobbled By Pressure at Home and Crises Abroad,” *The New York Times*, 21 April, 2014.
- 5 Michael J. Green, Nicholas Szechenyi, et. al., *Power and Order in Asia: A Survey of Regional Expectations* (Center for Strategic and International Studies, Washington, DC, July) 2014.

# The Security Landscape in East Asia: A Justifiable Anxiety?

Zha Daojiong

While alarm and pessimism intensifies, assessments of the East Asian regional security landscape are a matter of perspective. The year 2015 marks the 70<sup>th</sup> anniversary of the Second World War, as well as the establishment of the United Nations. Major power relations, many would argue, are still in disarray. The foreign policy establishments in Beijing and Washington struggle to produce credible reassurance from presidential summits, with the first state visit by Chinese President Xi Jinping to the United States in September. Both Beijing and Tokyo, again, failed to commemorate the end of the end of the Second World War. On a daily basis, media headlines announce rising tensions—coupled with television images of warships and planes of China, Japan, and the United States “showing the flag”—in the East and South China seas. In addition, North Korea tests the patience of virtually every nation concerned about its displays of rage. The general message is clear: East Asia is fast becoming a more unpredictable and dangerous region.

A less alarmist picture can also be drawn: peace is prevailing throughout the East Asian region. This is possible when we define peace as the absence of active warfare; either between two countries or involving a larger number of states or their proxies. Realities on the ground are such that East Asia has fared far better than the Middle East or Eastern Europe, especially in the past decade. While the state of affairs in the Middle East and Ukraine is a low bar to



US Secretary of State John Kerry with Chinese Vice Premier Wang Yang at the US-China Strategic and Economic Dialogue, Washington, 24 June 2015. Source: US Department of State, flickr.

benchmark East Asia against, it is noteworthy that for a region as historically complex and politically dynamic as East Asia, no-war is a significant accomplishment. This suggests that East Asian resilience is not just a phenomenon to be self-congratulatory about, but should in fact be fostered through pursuing cooperation.

‘Trust’ is a frequent buzzword in discussions about managing security dynamics across East Asia. But trust is hard to define or characterize. An emphasis on trust can quickly lead to difficulties in identifying steps to follow. On the one hand, trust can motivate thinking toward sensitivity in relation to other countries. Hopefully, such sensitivity can help encourage symmetry in acts of diplomacy. On the other hand, reference to trust could well turn

out to be an excuse for refusing to explore alternative. Worse still, highlighting the lack of trust can serve to endorse putting the blame on others for the ongoing state of affairs. In short, it may be wiser for commentators to acknowledge that trust and cooperation is in reality another chicken versus egg puzzle.

Viewed objectively, East Asia seems to be a bastion of stability. Why then all the anxiety? One powerful mindset, and perhaps the main culprit, is a simplistic vision of the US in decline and China on the rise, and its corollary: the time for countries to choose between them as the ultimate security guarantor is drawing near. This image feeds the fear that the postwar Pax Americana in Asia is crumbling, and will inevitably be replaced by a fierce Darwinian power struggle between the United States and China. Over-

confident Chinese commentators fall into jingoism. American observers leap to the conclusion that China is maneuvering to upset the US-led hub-and-spoke regional security arrangements and, by extension, the global order. Such a simplification is so powerful that even establishment of the multilateral Asian Infrastructure Investment Bank is depicted as an unmistakable indication of a zero-sum competition, notwithstanding widespread support for additional sources of investment, which is in turn conducive to generating growth in demand in the region's economies.

This vision deserves to be debunked. Talk of US decline is a long-standing American neurosis. Similar sentiments of weakness emerged in the early 1970s, after the Arab oil embargo, and again in the 1980s after Japan's phenomenal rise prompted fears of US economic eclipse. In both periods, there was no shortage of foreign jingoism, in support of the argument that America's global position had peaked. In both cases the US proved far stronger than its internal or external critics imagined. The re-emergence of US-decline rhetoric today is in fact a sign of American strength, which starts with brutal self-reflection.

Arguably, America's relative position is stronger now than in the 1970s or 1980s. China has not caused the United States economic harm as the Organization of the Petroleum Exporting Countries (OPEC) states did in the 1970s. Quite the reverse. China has proved a hugely beneficial economic partner for the US. Nor has Chinese competition had anywhere near the impact that Japan's did in the 1980s. True, China seems destined soon to end America's 140-year run as the world's biggest economy if one believes the latest purchasing-power estimates of the

World Bank. On the other hand, the crash of China's stock markets in the summer of 2015 made it clear that the Chinese economy is not as stable as its nascent high-speed train system.

In the future, China's vision of seeing revitalization of economic growth in countries along the ancient Silk Road and in maritime trade routes from Southeast Asia to the Persian Gulf notwithstanding, its economic performance will just have to continue to reply on unfettered access to the financial systems and consumer markets of the United States and its security allies. More fundamentally, the production chain weaving together the economies of China, Japan, the US and other Asia-Pacific countries is very strong and no economy can expect to flourish by diminishing its participation in it.

To many of the region's geostrategic thinkers schooled through the American intellectual tradition of International Politics theory, the crux of the issue is that China, unlike Japan in the 1980s, has failed to meet America's expectations of evolving into a like-minded country. China's record in poverty reduction, both at home and abroad through aid and investment, means little to those who see Western-style political democracy as an absolute value. This judgment validates the fears of Chinese thinkers who see the US as fundamentally committed to the overthrow of China's political order in order to remake its system in the American image.

Many Chinese observers are puzzled by America's characterization of China as a military threat; by any objective measure, China is decades away from military parity with the US, and indeed may never attain it. Chinese analysts also see American rhetoric and action as a strong factor behind the heightening of maritime sovereignty differences in

the East and South China Seas in recent years, after being dormant for many decades. The US and its allies claim to see a China determined to seek revenge for the past and domination in the future. It is a matter of regret, and concern that voices of calm in the US simply fall on deaf ears.<sup>1</sup> The result of these perceptions is a self-perpetuating belief in inescapable enmity.

Security anxieties in the Asia Pacific do have legitimate causes but further heightening is not immutable. For China, there needs to be more appreciation of the positive role the US has played in enabling its prosperity. China's forty years of sustained economic growth coincides with the history of a workable relationship with the United States. China's confidence in its governing system is justifiable, but wholesale rejection of foreign (including American) lessons and ideas for economic and political governance can only be a net loss for China. Furthermore, a United States that continues to be strong is in China's economic self-interest.

For its part, the US must face the unpleasant truth that its capacity to re-shape another country's system of governance is limited—especially in regard to a large and complex society like China with deep-rooted and generally successful governance traditions. And American geostrategic thinkers should consider the positive value of political stability in China. Stability does not simply mean the unwelcome persistence of a regime they dislike: a stable and secure China is one that, in the long run, is more likely to accept the possibility of learning from the US.

Between China and Japan, the history issue is often said, including by those in both countries tasked to find ways out of the continuing impasse, to be the key roadblock to getting back to a normal routine of

high level interactions. Over time, hope for government-sponsored joint versions of the history of World War II has faded. What can be done next?

China should come up with the intellectual fortitude to highlight domestically Japan's post-war contributions towards China's pursuit of modernization. In the 1950s, while locked in Cold War hostility towards the Chinese government, the Japanese government allowed limited trade activities to proceed when the former was under broad Western isolation in the wake of the Korean War. Official development assistance from Japan played a powerfully supportive role in China's re-linking with the rest of the world economy, and not only in a material sense. Particularly in the 1970s and 1980s, the fact that China and Japan were able to sustain cooperative trade and investment relations was seen as a vote of confidence in China by other industrialized nations.

China could not have succeeded in improving its relative economic position, were it not for the foundation laid in these early years. China has, of course, repaid its Yen loans, but this history of economic aid still merits recognition.

Likewise, Japan needs to demonstrate political courage and argue that the time has come for its government to finally stay clear of efforts to whitewash what the country did in China and the Korean peninsula during the war. Yes, the Japanese political system is far more pluralistic; Japanese political parties and individual politicians are elected to speak on behalf of their constituencies. But how the Japanese polity projects the country's past to its own citizenry has been, is and will be taken into account by other countries, especially those that once suffered. Japan should beware of the future costs that the ongoing diplomatic tensions carry. A truly wise approach would be to re-orient

domestic conversations about the past and their present-day relevance for the nation as a whole.

For other countries in East Asia, space must be made for a distinct narrative about their positions in the evolution of the region's security dynamic: the supposed choice between China and the US as the ultimate security guarantor is a false one. The past few years have witnessed Washington, Beijing, Tokyo testing their separate capacities in building up respective coalitions of the willing in the East Asian region and even beyond, over issues ranging from investment to maritime order. Factors feeding into this rivalry include changes in United States policy as well as campaigns by some Southeast Asian governments, those of the Philippines and Vietnam in particular. For China, the United States and Japan, it is becoming more obvious that no party can prevail in attempting to re-engineer the regional security and economic order as textbook geostrategic and geoeconomic mapping would suggest.

The time has come for security analysts to look back at advocacy and actions taken in the past five years—over maritime issues in East Asia, for example—and ask: is the region better off than before?

If so, what risks can be accepted as sensible when continuing to push the boundaries of nerve testing? If not, what can be done to persuade our domestic and international audiences to support efforts toward positive symmetry in handling the region's security challenges, hard and soft? Luckily, unlike the Middle East or Eastern Europe, East Asia enjoys a rather solid societal basis for dispute resolution. This is largely as result to the regions high level of economic integration, and effective multilateral channels such as the Asia-Pacific Economic Cooperation, and informal security dialogue proposed by ASEAN. By putting the principle of inclusivity into practice wherever manageable, parties stand a better chance of extending the aggregate stability of the region and locating each spur of anxiety in its proper, relative place.

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- 1 Chas Freeman, Jr. Diplomacy on the Rocks: China and Other Claimants in the South China Sea, at <http://chasfreeman.net/diplomacy-on-the-rocks-china-and-other-claimants-in-the-south-china-sea/>.



The Nimitz-class aircraft carrier USS Ronald Regan (CVN 76) off the island of Iwo To, Japan, 29 September 2015. Source: US Navy.

# In Search of a Seamless Security Posture: US-Japan Defense Cooperation Guidelines and National Security Legislation

Ken Jimbo

## Abe's Evolutionary Security Policy Reform

Highly controversial National Security Legislation was finally passed in the upper house of Japanese Diet on 19 September 2015. The prolonged demonstrations and rallies near the Diet reflected the deep divisions within the Japanese public on how to reconcile a desirable security role with its pacifist Constitution.

Although Abe's security policy reform has been characterized as a watershed pushing the country towards a more aggressive military posture, this development in reality is 'evolutionary' rather than revolutionary.<sup>1</sup> Japan's priority still resides in the defence of its own territory and ensuring the US forward presence through US-Japan security alliance. Although the security legislation allows Japan to exercise the long-banned right of collective self-defense, its operational scope is strictly confined to the case when Japanese national security is vitally challenged.

That said, the series of security reforms under the Abe administrations constitute a significant and dynamic package. The major policy advances in the security field over the three years of the Abe Administration include the following:

- ♦ Establishment of the National Security Council and National Security Bureau (December 2013);



Carter and Kishida: US Defense Secretary Ash Carter shakes hands with Japanese Foreign Minister Fumio Kishida after signing an agreement during a ceremony at the Pentagon, Sept. 28, 2015. Source: US Department of Defense.

- ♦ National Security Strategy (December 2013);
- ♦ The Three Principles on Transfer of Defense Equipment and Technology (April 2014);
- ♦ Cabinet Decision on Development of Seamless Security Legislation to Ensure Japan's Survival and Protect its People (July 2014);
- ♦ The Guidelines for Japan-US Defense Cooperation (April 2015);
- ♦ Japan's Legislation for Peace and Security (September 2015).

This package of reforms addresses a number of layers and dimensions of the national security arena, ranging from decision making processes

and institutional reform, arms export policy, territorial defense, alliance management and Japan's global engagement. Indeed, the new security legislation consists of eleven different legal cases packaged together in an attempt to modify and streamline the patchwork of legal arguments supporting security policy amendments that had accumulated since the end of the Cold War.

## Four dimension of 'Seamless Security Posture' for Japan

The key concept informing Japan's current security policy reform has been the "seamless security posture".<sup>2</sup> The concept initially

emerged in the National Defense Program Guideline (NDPG) in 2004. That document underscored the importance of ensuring an effective response towards “new security threats and various situations” (obviously encompassing the rise of terrorism and asymmetrical threats), and urged a seamless, whole of government approach. Developments in defense doctrine from 2010 elaborated on the concept of seamlessness. For example, the adoption of the “Dynamic Defense” concept in the NDPG 2010 aimed at enhancing the mobility and operational tempo of Japan’s Intelligence, Surveillance and Reconnaissance (ISR) activities in the Southeastern Island Chain in order to deal with potential challenges seamlessly. The concept also permeates a number of major documents, including the NDPG 2013, the US-Japan Defense Cooperation Guidelines and National Security Legislation.

In order to decipher the concept, it is helpful to examine it from four distinct vantage points.

#### **a) Phases of Conflict**

The US-Japan Defense Cooperation Guidelines (2015) underscored that “the two governments will take measures to ensure Japan’s peace and security in all phases, seamlessly, from peacetime to contingencies, including situations when an armed attack against Japan is not involved”. The new Guideline encompasses the all-phase/full-spectrum approaches to conflict escalation management, departing from the sharper divisions between peacetime, emergency and situation surrounding Japan in the previous Guideline in 1997.

What should be underscored is the emergence of two new domains in Japan’s security threat perception. One is the so-called Gray-Zone challenges: infringements of Japanese territory that do not

amount to a full-scale armed attack. As China has stepped up its assertive behavior in the East and South China Seas, it has become increasingly apparent that the territorial status quo can be challenged without crossing the military threshold. The Gray-Zone domain obviously requires the primary role to be played by law-enforcement agencies such as Coast Guards and what is required is deeper cooperation between the Coast Guards and Self-Defense Force, particularly for escalation management. From the alliance perspective, enhancing US-Japan peace-time security cooperation including intelligence sharing through alliance coordination mechanisms and joint ISR operations will also contribute significantly towards managing Gray-Zone challenges.

Another domain is the heightening and expanding of Anti-Access and Area-Denial (A2/AD) challenges. The modernization of China’s conventional military capabilities is increasingly placing the US forward presence and its operations at risk. As outlined in the Guidelines, protecting military facilities, air and missile defenses, as well as resiliency, hardening and damage repair capabilities are key to countering the A2/AD environment. The new Guidelines also suggested wider dispersal options in both commercial and non-commercial Japanese airports and ports to ensure flexible operations for US forces stationed in Japan.

#### **b) Geography**

The geographical scope of Japan’s security policy has expanded steadily over past decades. Since the establishment of the International Peace Cooperation Law enacted in 1992, Japan has dispatched personnel to 13 United Nations Peace Keeping Operations (PKO) worldwide. The US-Japan Defense Cooperation Guidelines in 1997 highlighted Japan’s expanded

rear-area support in the Situation Surrounding Japan (mainly focusing on contingencies on the Korean Peninsula). The Joint Statement of the US-Japan Security Consultative Committee in February 2005 endorsed “Global common strategic objectives” as a commitment to promote peace, stability and prosperity around the world.

The legal foundations for engaging different geographical layers—territorial defense, regional, and global security—were individually established, however, and had little connectivity among them. For example, when Japan dispatched its Self-Defense Force for the refueling mission in Indian Ocean in support of Operation Enduring Freedom from 2001 to 2007, and for the humanitarian and reconstruction mission in Iraq from 2003 to 2009, these SDF operations were based on the Special Measures Bill with sunset clauses. A political awareness developed that without seamless geographical coverage ensured by a permanent law, Japan’s regional and global engagement would be jeopardized.

Under the two laws related to support activities by the SDF (namely, the Law to Ensure Security for Situations that will have an Important Influence on Japan’s Peace and Security; and the International Peace Support Law), the SDF will be able to provide necessary logistics support and search and rescue assistance to armed forces of foreign countries collectively addressing the situations outlined in these laws. Under the new legislation, geographical constraints on engaging in alliance support and support for coalition missions will be significantly waived.

#### **c) Cooperation with Others**

Japan’s traditional security partner is the United States, its only treaty ally for more than six decades.

In the past, the laws explicitly affirmed SDF's logistic support to US forces in accordance with the US-Japan Security Treaty. For example, the Act Concerning the Measures for Peace and Safety of Japan in Situations in Areas Surrounding Japan enacted in 1999 provided the SDF legal backing to implement the 1997 US-Japan Defense Cooperation Guideline to provide rear-area support only to the United States.

The 2015 US-Japan Defense Cooperation Guidelines and the National Security Legislation both enable the provision of necessary support activities to the US and other countries' armed forces in situations that will have an important influence on Japan's peace and security. The amended Self-Defense Force law also enables the protection of weapons/other equipment of the US and other countries' armed forces. Additionally, the International Peace Support Law enables the provision of necessary support activities to the armed forces of foreign countries collectively addressing the situation, which threatens the international peace and security.

With a scope of operations that now covers cooperation with countries other than the United States, Japan's security engagement in peacetime and during any crisis will be further enhanced. The new legal arrangement will enable the SDF to conduct more robust joint training and exercises with regional partners such as Australia, India and ASEAN. There will be fewer legal qualms over joint operations for common purposes such as humanitarian support and maritime patrol. During any crisis, the new legislation also allows the provision of support to other regional partners engaged in the contingency. For example, a crisis on the Korean peninsula could see the deployment of US-led multinational force. Japan

can now function as a key logistics hub during such a crisis, offering support to the forces of all the nations engaged in the operation.

#### **d) Cross-Domain Response**

The new security reforms in Japan would also support high-end scenarios to support Pentagon's Joint Operation Access Concept (JOAC). This concept, announced in January 2012, seeks to ensure that US joint forces would achieve operational access - the ability to project military force into an operational area—in an A2/AD environment. Its central theme, rather highly conceptual, is attaining *Cross-Domain Synergy*, described as “the complementary vice merely additive employment of capabilities in different domains such that each enhances the effectiveness and compensates for the vulnerabilities of the others to establish superiority in some combination of domains that will provide the freedom of action required by the mission”.

Under the new Guidelines and National Security Legislation, the US and Japan will work to ensure the resiliency of relevant space assets and their networks and systems. Japan has tasked the Japan Aerospace Exploration Agency (JAXA) to provide space situation awareness information to the United States, demonstrating a commitment to deeper inter-agency collaboration to support the national security agenda. Cooperation in cyberspace includes improvement of individual cyber capabilities and interoperability between the Self-Defense Forces and US Forces. Cooperation will encompass sharing information in peacetime to contingencies in which cyber threats challenge the mission assurance of both forces.

The Abe administration has achieved a historic reform of Japan's security policy that has

laid the legal foundation for the SDF to play a more active role in multiple domains. The key concept of these series of reforms has been to develop a “seamless” security posture that streamlines operations in four major domains: 1) all-phases of conflict, 2) geographically cross-boundary, 3) multinational cooperation, 4) cross-domain synergy. These developments constitute a significant departure from the legal restrictions of the past in the defense and security field. Significantly, however, these reforms have been put in place without altering the major constraints enshrined in the Japanese Constitution.

Despite these significant accomplishments on the political and legal fronts, a seamless security posture is still a long way off. First, Japan needs to develop more sophisticated scenarios and concepts for managing Gray-Zone challenges. As mentioned earlier, the primary agency to deal with non-military challenges at sea will be the Japanese Coast Guard. Japan has already indicated that it will fund the faster development of Coast Guard capabilities in coming fiscal years. However, the Japanese Coast Guard Law has not been changed under the new security legislation. Their criteria for the use of weapons are strictly limited and on a par with guidelines for the Police, namely, confined to self-defense and emergency evacuation. What the new SDF law does allow is for the maritime SDF to step into the policing function swiftly if the government determines that this is necessary to deal with a Gray-Zone challenge. The early involvement of the MSDF could put the prudent management of escalation at risk.

Second, the scope for exercising collective-self defense seems to be too narrow as a result of also adopting the Three New Conditions for Use of Force. In the New

Security Legislation, collective-self defense will be exercised only when the armed attack by a foreign country “threatens Japan’s survival and poses a clear danger to fundamentally overturn people’s right to life, liberty and pursuit of happiness”. Although a historic step forward for Japan, it still sharply limits the exercise of collective-self defense, essentially to crises in the areas immediately surrounding Japan. Any wider scope of operations, such as the defence of the US homeland or Pacific islands by Japan’s missile defenses would still not be ensured under the new legislation.

Abe’s evolutionary security reform has certainly provided a solid legal foundation for Japan’s proactive security policy in territorial defense, robust alliance management, and global engagement. However, Japan must also be prepared to constantly update its security posture and legal framework in order to respond to the dynamics of the security environment in Asia.

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# The Asia–Pacific Paradox: Rising Wealth, Rising Tension

Brahma Chellaney

The Asia-Pacific region is likely to remain for the foreseeable future the world's economic-growth and maritime centre. Yet the challenges in this region have been fundamentally changed by new geopolitical realities and the rise of unconventional threats. It is important to view these challenges in the broader context of global power dynamics, including the ongoing power shifts. Given the tectonic power shifts that are underway, the international order is clearly in transition.

We live in a rapidly changing world. The pace of technological change has been revolutionary since the 1980s, facilitating the ascent of Asian economies in particular. The growing tide of new innovations has also contributed to the accelerated weaponization of science, even as the pace of innovation has shrunk the shelf-life of most technologies. Today, technological forces are playing a greater role in shaping geopolitics than at any other time in history.

Economically, the fast pace of change in technology, transportation costs and the regulatory environment has acted as a spur to the dramatic rise of Asia. The share of world trade of the advanced economies in the past quarter-century has sunk from 75 percent to just below 50 percent. Developing economies are also attracting increasing amounts of foreign direct investments, with such inflows jumping from 20 percent to 50 percent of global totals just between 2002 and 2012. The global



US President Obama with India's Prime Minister Modi, January 2015. Source: The White House.

shifts in relative economic weight already experienced will be further accentuated in the period ahead.

The pace of geopolitical change has been no less extraordinary. The geopolitical landscape in the Asia-Pacific has been significantly transformed since 1990. The region is characterized by the accumulation of greater relative power but also by new uncertainties. But as history testifies, major power shifts are rarely quiet. Such shifts usually create volatility and uncertainty. In fact, given the fast pace of political, economic and technological transformation that has been witnessed, one can assume that the next 25 years will bring about equally dramatic geopolitical change in the region. This means that the region, in the coming years,

will be unlikely to enjoy a stable power equilibrium.

More broadly, the Asia-Pacific exemplifies that the world is becoming more interdependent—and not just in trade and capital flows—rather the interdependencies extend to the technological, public-health, environmental and climate spheres. For example, environmental degradation on the Tibetan Plateau, because of its towering height, is likely to affect general atmospheric circulation even in Europe and North America. China's role as the largest greenhouse-gas emitter carries global implications. The mobility of technical expertise in the Asia-Pacific, as in Europe, is another example. Global pandemics serve as yet another example.

The Asia-Pacific also illustrates that the interdependencies are not bringing the world closer together. Rather they have intensified competition between important powers for relative advantage. In this context, the struggle for natural resources has set off sharpening geopolitical rivalries in the Asia-Pacific. The resurgence of territorial and maritime disputes in the South and East China Seas, for example, is linked to the resource competition, given the significant possibility that the seas that surround the disputed islands hold rich hydrocarbon reserves beneath the seabed.

That economics cannot be separated from politics is apparent from the fact that booming trade between important countries has only accelerated their political rivalries. In Asia, the danger of military conflict is most apparent between countries that boast booming bilateral trade. Indeed, as underscored by the grating hydro-politics in some river basins and the recrudescence of Cold War-era territorial disputes in Asia, trade and economic interdependence are no guarantee of moderation or restraint between states.

Economic interdependence helps to raise the costs of political miscalculation, yet economics alone cannot solve politics or avert conflict. Economic forces, for example, have failed to rein in geopolitical competition over natural resources or to open up autocratic political systems thriving on market capitalism. Despite a greater role for economic power in international relations, politics continues to drive economics, with political risk dominating the financial markets and sanctions remaining as a viable policy tool.

The Asia-Pacific shows that if estranged neighbors do not fix

their political relations, fast-rising bilateral trade will not be sufficient by itself to stabilize their relationship. Not only does the region's political integration lag badly behind its economic integration, it has no security framework of any kind, with even regional consultation mechanisms remaining weak.

One concern about the regional situation arises from the legacy of wars. Unlike Europe's bloody wars of the first half of the twentieth century, which provoked changes that have made war there unthinkable today, the wars in Asia in the second half of the twentieth century only accentuated bitter rivalries. Several inter-country wars have been fought in Asia since 1950, when both the Korean War and the annexation of Tibet started, without resolving the underlying disputes.

In fact, history continues to hold the region hostage. As the recent 70th anniversary of the end of World War II underscored, some nations in the region are still resurrecting the ghosts of history. How diplomatic relationships are held hostage to history is best exemplified by the strained ties between America's closest allies in East Asia—South Korea and Japan. These two countries face a stark choice: find ways to stem the recrudescence of bitter disputes over history or stay frozen in a political relationship that plays into China's hands.

Playing the history card, China has made ultra-nationalism the legitimating credo of Communist rule. In recent years, China has sought to draw attention to the atrocities committed by the Japanese during World War II by expanding and renovating war museums memorializing the 1931-1945 invasion, as well as through other government projects and

subsidies. As though to stir its people into a frenzy of patriotism, China has also declared two new national days to remember Japanese aggression.

But what if the victims of China's aggression followed its example and commemorated Chinese attacks on them? China, while seeking to obscure its own aggressions and occupations since the communist 'revolution'—including the 1951 annexation of the sprawling Tibetan plateau and invasions of India and Vietnam in 1962 and 1979, respectively—has long called on Japan to take history as a mirror and demonstrate greater remorse for its past aggressions.

More ominously, history continues to shape national narratives and fuel competing nationalisms in the Asia-Pacific. Squabbles over history and remembrance remain the principal obstacle to political reconciliation, reinforcing negative stereotypes of rival nations and helping to rationalize claims to territories long held by other nations. In this economically integrating but politically divided region, relations between nations remain trapped in a mutually reinforcing loop: poor political relations help magnify and accentuate the history problem, thus chaining interstate relationships to history.

Breaking out of such a vicious cycle demands forward-looking leadership and a will to political reconciliation. At present, though, the trend is in the opposite direction. For example, attempts in East Asia to rewrite or sugarcoat history, including by revising textbooks or erecting memorials for newfound heroes, are inciting greater intra-regional rancor and recrimination. A potent mix of domestic politics, increasing geopolitical competition, and military tensions has turned history into a driver of corrosive nationalism.

Disputes between South Korea and Japan, and China and Japan over territories, war memorials, textbooks and natural resources are the result of an entangled history. The Sino-Indian relationship is also a prisoner of the past, especially seen in the context of China's elimination of the historical buffer—Tibet—and its subsequent war with India. Even the Chinese-South Korean relationship carries the baggage of history, burdened most recently by China's revisionist claim to the kingdom of Goguryo, one of three kingdoms in ancient Korea.

The commitment of US President Barack Obama and Indian Prime Minister Narendra Modi to work with likeminded states to establish power equilibrium and a rules-based order in the Asia-Pacific can make little headway if history remains a barrier to improved relations even between democracies. Take Japan and South Korea: as export-oriented powerhouses with traditionally close cultural ties, the two share many values. But resurgent history issues between them have put paid to hopes for a concert of democracies to rein in China's growing assertiveness.

The century-old case of the Korean activist Ahn Jung-geun serves as a good example of history's divisive hold. Considered a terrorist in Japan where he was hanged but a hero in South Korea, Ahn assassinated four-time Japanese prime minister and the first Resident-General of Korea, Hirobumi Ito, in 1909 at the Harbin city railway station in China. The case has resurfaced after China opened a memorial hall in Harbin recently commemorating Ahn, prompting Japan to denounce China for glorifying a terrorist. The shrine was built at the request of South Korean President Park Geun-hye during a meeting with

the Chinese President Xi Jinping in the summer of 2014.

South Korea, a hyper-nationalistic state like China, has sought to eliminate all signs of Japanese colonial rule. But not all Asian states seek to obliterate their colonial past. India continues to transact much of its key government business from British-era edifices, and some of its major criminal and civil laws date from the colonial period. Taiwan—a former Japanese colony—also has a tolerant view of its imperial subjugation.

Some regional states, however, blend historical fact with myth. For example, China, as the fairytale Middle Kingdom, claims to be the mother of all civilizations, weaving legend with history to foster a chauvinistic Han culture centered on regaining lost glory. The Communist Party projects great-power status as China's historical entitlement. Indeed, by embellishing China's past, it wants to make real the legend that drives Chinese revisionist history—China's centrality in the world. This is reflected in Xi's goal to build what he calls the "Chinese dream."

Harmful historical legacies create serious impediments to rational policy choices. President Park, for example, has sought closer ties with China when South Korea's natural regional partner is Japan. Asia's oldest liberal democracy, Japan has not fired a single shot against an outside party since World War II. President Park—the daughter of the military general who served as South Korea's dictator for 18 years until 1979—has yet to hold a single one-on-one meeting with Japanese Prime Minister Shinzo Abe.

Asian states cannot change their past but they can strive to shape a

more cooperative future. If South Korea and Japan, for example, take the lead to put their past behind them, they could set an example for other interstate relationships in Asia that are burdened by historical differences and distortions.

More fundamentally, the Asia-Pacific today is at a defining moment in its history. The international spotlight on its rapid economic ascent has obscured the serious challenges it confronts. The resurgent territorial, maritime, and history disputes highlight that securing regional peace and stability hinges fundamentally on respect for existing borders. The single biggest source of regional instability today is a refusal to accept the existing territorial and maritime status quo. This has prompted efforts to change the territorial and maritime borders through stealthy land grabs or land reclamation, especially in the South and East China Seas and the Himalayas.

Regional states need to start discussing the security challenges in the Asia-Pacific. Focused discussions are necessary to create institutions and rules-based cooperation and competition. There is no alternative to institutionalized cooperation.

The region's resource-related competition can be prevented from injecting greater instability and insecurity only by establishing rules-based cooperation and competition. Unfortunately, there has been little headway in this direction thus far. Regional economies need an integrated, holistic approach to resource-security issues. Environmental degradation in the region can potentially affect climatic, weather, and rainfall patterns in other parts of the world. The Tibetan Plateau is warming at a rate almost twice

as fast as the rest of the world, according to several scientific studies. The Asia-Pacific must find ways to build a more sustainable and peaceful future for itself.

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India's Prime Minister Modi arrives at John F. Kennedy International Airport, New York, 23 September, 2015. Source: <http://pmindia.gov.in/en/image-gallery/>.

# Russia in the Indo-Pacific: A New Awakening?

Alexey D Muraviev



Caption: A Russian Tu-95 Bear 'H'. Source: Wikipedia.

September 2015 may be remembered as a strategic turning point in Russia's global fortunes. After more than a year of harsh criticism, targeted economic sanctions, and attempts to isolate Russia, the Kremlin is on the winning tide. Russia's President Vladimir Putin commanded the floor in New York when he took part in the Jubilee Assembly of the United Nations. He succeeded in maneuvering Moscow's strategy in Syria through intense discussions in New York, whereupon Russia was able to demonstrate to the west and the rest of the world its restored ability to undertake swift actions in support of its national strategic agenda. The rapid massing of offensive air power reinforced by

ground force elements and a naval task force not only placed Russia at the centre of the controversy over Syria and the fight against ISIL/ISIS but symbolized Moscow's growing global ambitions in the contest for a role in global leadership, as well as the effective failure of the West to contain and drain Russia for its actions in Ukraine.

The confrontation over Syria and the regime of Bashar al Assad, together with the crisis over Ukraine triggered by the ousting of then President Viktor Yanukovich and Russia's takeover of Crimea have strained Moscow's ties with many Western nations. Russia's actions in Ukraine in 2014 and 2015 alarmed many European

nations. Some nations felt more vulnerable, and others began to reconsider Russia as a reliable and predictable strategic partner. These developments effectively reanimated the confrontational tendencies that clouded the European and Transatlantic geopolitical space during the Cold War era.

In Asia and the Pacific, the reaction to Russia's rapid assertiveness within former Soviet Eurasia and in Europe was mixed. Whilst Australia and Japan supported targeted economic and political sanctions, other regional powers either exercised a degree of restraint in condemning the Putin government, or displayed respect

and recognition for Russia as a global player and a rediscovered regional partner.

Since Putin assumed the Russian presidency in 2000, the eastern vector of Russia's strategic agenda has become more prominent.<sup>1</sup> From 2009, Moscow has accelerated its push for active reengagement with the region. In 2010, Russia joined the East Asia Summit (EAS) at the same time as the United States. In September 2012, it chaired the 24<sup>th</sup> Asia–Pacific Economic Cooperation (APEC) Summit in Vladivostok. Since Russia holds a perceived need to diversify its geo-economic agenda and the escalation of tensions with the West over Ukraine, Moscow has further deepened its long-standing impulse to re-engage with Asia and the Pacific, driven by economic, political and military–strategic considerations.

The military–strategic driver is a heightened threat perception on the eastern strategic flank compared to other geopolitical areas of significance for Russia. However, the vast Asia–Pacific theatre provides Russia with both opportunities and challenges. Moscow has leveraged itself by displaying its restored military power with potential allies and friends, including through military exercises and out-of-area deployments. Exercising overt deterrence in times of heightened geo-political tensions, such as those created by the crisis over Ukraine, have contributed to these threat perceptions.

When it comes to strategic and defence planning in the Asia-Pacific, planners in Moscow consider a number of ongoing and newly arisen factors that affect the geo-strategic landscape as they see it. These include a growing re-appreciation of the Indo-Pacific geopolitical system; Russia's strategic interests in polar geopolitics—the Arctic and the Antarctic vectors; heightened

tensions with the US and some of its Asia-Pacific allies, including Australia; territorial disputes with the US and Japan; confrontation on the Korean Peninsula and the risk of conflict escalation; ongoing capability upgrades for the Japan Self-Defense Forces and China's People's Liberation Army and Navy.

As a result, Russian military activities in the area have intensified considerably. The extent of the Pacific Fleet's operational naval activity in 2014 and 2015 was impressive. Russian warships operated throughout Southeast Asia, near the Western Pacific's Horn of Africa. In late 2013, a task group from the Fleet was deployed to the Mediterranean to form the backbone of a reconstituted Russian Navy Mediterranean Squadron. Warships from the Baltic and Black Sea Fleets operating in the area called in on ports in Indonesia, Malaysia, Singapore and Sri Lanka. In 2015, the Russian Navy staged joint Indra-2015 and SAREX-2015 exercises with India and Japan respectively. These were followed by two large-scale maritime interoperability exercises with the Chinese Navy in May and August 2015.

As part of its regional sub-strategy aimed at improving the operational flexibility of its forces in forward areas, Russia's Ministry of Defence has pursued targeted arrangements with several regional states (Seychelles, Singapore and Vietnam) to permit regular port calls by Russian warships. Russia is not, at least for the time being, seeking a new network of overseas support bases but, rather, legal agreements which would allow the Russian Navy to rely on a number of foreign ports and bases for replenishment.

Since August 2007, the Russian armed forces have steadily increased another element of out-

of-area activity: long-range aircraft have resumed bomber patrols in key theatres of operations—the Atlantic, the Black Sea and the Pacific. In the Pacific, Russia's air force now operates bimonthly or monthly patrols, normally involving Tu-95MS bombers from the Ukraink air base. Patrol areas include the Aleutian Islands, the Alaskan coastline and the vicinity of Japan. Russian strategic aircraft have also made prolonged patrols near Taiwan and over Southeast Asia, and far out over the Pacific to the US island of Guam and the US West Coast.

Despite the increased operational tempo of the Russian Navy and Air Force, the current posture of the Russian armed forces east of the Urals is defensive in nature and lacks any substantial offensive capabilities. The heightening of military-political tensions with NATO over Ukraine, as well as the continuing need to address security concerns in the Transcaucasia area and Central Asia has forced Moscow to allocate a major portion of its advanced military equipment and to concentrate the bulk of its offensive capabilities west of the Urals. In the near-term, Russia's defence efforts in Siberia and the Far East will be concentrated on upgrading its regional defensive posture, with an emphasis on key tactical and strategic deterrent capabilities. The Russian armed forces' power projection capability in the Far East will be limited to the strategic bomber force, airborne troops and special operations elements, and the Navy. Fortunately, the absence of the fear factor in the perceptions of the regional powers towards Russia gives Moscow a chance to further its economic and political interests across Asia and the Indo-Pacific.

That said, however, Russian Minister of Defence General Sergei Shoigu said in June 2014,

that the conventional capabilities of both the Pacific Fleet and the ground and air forces in the Eastern military district will be extensively modernized over the next five years. Similarly, on 30 September 2015, the new-generation *Borey*-class SSBN Aleksandr Nevskiy arrived at Rybachiy, marking the beginning of the organic replacement of the ageing *Delta*-class with next-generation sea-based strategic platforms.

The economic driver of Russia's regional re-engagement is the realization that the centre of global business activity is shifting towards the Asia-Pacific, and that its own economy, including the crucial energy and defence sectors, require market diversification and expansion. A recent example of the implementation of such strategy was the signing in May 2014 of the 30-year mega contract on the annual supply of 38 billion cubic metres of gas from Eastern Siberia to China.

The political driver is the desire to enhance Russia's regional influence by reanimating old Soviet ties and by establishing close links with former political rivals, notably China. Relations with Europe, and the Commonwealth of Independent States remain the prime strategic focus, but the eastern vector of Russian foreign policy is gaining importance.

Despite the rhetoric from Moscow, shared by some western analysts, that Russia's attention is switching away from Europe towards Asia and the Pacific, Russia has not articulated a clear regional strategy. Unlike the Soviet period, Russia's engagement in the Asia-Pacific is driven neither by an overarching national agenda nor by political-military challenges that require an immediate strategic response. An assessment of Russia's diplomatic and other activity in the region supports the view that Moscow is

accelerating its efforts to develop regional political and security frameworks that will suit its long-term strategic agenda. Its approach is based on developing bilateral strategic partnerships, notably with China, India, Indonesia, Malaysia, Myanmar, Pakistan, Sri Lanka and Vietnam.

Since 2009, Russia has again clearly recognized that Hanoi will be its key partner in Southeast Asia. Russian energy companies are actively engaged with their Vietnamese counterparts on joint projects inland and in coastal areas. Russia has resumed the supply of advanced military hardware to the Hanoi, with an emphasis of upgrading Vietnam's air and naval capabilities, predominantly for interdiction and area denial operations. Russian defence contractors have been involved in building the submarine training centre for Vietnam's Navy at Cam Ranh Bay. The Russian armed forces have resumed regular port calls to Cam Ranh Bay for refueling operations.

Russia also considers good relations with both Koreas and Japan, critical to its regional engagement. The geographical proximity of North Korea to Russia borders and the potential fragility of the ruling regime combined with concerns regarding North Korea's weapons of mass destruction programs drives Moscow's close engagement with Pyongyang. Collaboration in the high technological sphere, the need for strategic investments in the Russian economy and the ongoing interest in maintaining political and security dialogue attracts Russia to South Korea and Japan.

Similarly, the development of friendly relations with China and India is an important purpose of Russia's foreign and strategic policy in Asia. Beijing is at the core

of Russia's views and approaches towards regional engagement.<sup>2</sup> Russia's foreign and strategic policy makers clearly place the People's Republic of China at the forefront of Russia's policies in greater Asia, and continue to aspire to former foreign minister Evgeniy Primakov's design for a 'Grand Triangular' framework, involving an entente between Russia, China and India.<sup>3</sup>

Larger political dividends, such as an enhanced geopolitical standing, might also accrue from the security framework emerging under the auspices of the Shanghai Cooperation Organization (SCO).<sup>4</sup> The SCO has increased its global geopolitical weight and extended its Indo-Pacific footprint with the inclusion of India and Pakistan as full members of the organization at its summit meeting in Ufa in July 2015. The ongoing tussle between Russia and China for control of that body complicates any assessment of potential net strategic dividends for Moscow. It is therefore not surprising that Russia also feels the need to expand its engagement in international security dialogues, and broadening its security agenda beyond key partners, such as the SCO, to include groupings like the BRICS—Brazil, India, China and South Africa. In fact, the new Russian Defence Doctrine 2014 suggests that consultations with BRICS members are gaining importance in Russia's global risk assessments and policy formulation.<sup>5</sup>

In the context of the geopolitics of Asia and the Indo-Pacific, Russia's return as a Pacific player is unlikely to destabilize the regional balance. Russia remains an important contributor to the global war on terror and is becoming increasingly prominent as a provider of energy resources. Its influence in a number of regional forums is likely to remain high. In the long run, Russia

may become a key player in the region's efforts to restore stability in Korea and—notwithstanding its currently intensifying security relationship with Beijing—possibly to contain China, which many in Russia consider as a future security challenge.

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- 1 Roy Medvedev, *Vladimir Putin: Chetyre Goda v Kremle* (Vladimir Putin: Four Years in the Kremlin), Moskva: Vremya, 2005 p. 215.
- 2 'Kontseptsiya Vneshnei Politiki Rossiiskoi Federatsii' (The foreign concept of the Russian Federation), *Rossiiskaya Gazeta*, 12 July 2008, <http://www.rg.ru/2008/05/26/koncepciya-dok> [accessed 29 April 2011].
- 3 Primakov proposed his strategic vision during his prime ministerial visit to India in December 1998. Dmitriy Gornostayev and Sergey Sokut, 'Karatel'naya Aktsiya protiv Iraka Zavershilas' Krizisom Mezh-dunarodnykh Otnosheniy' (Punitive action against Iraq led to the international relations crisis), *Nezavisimya Gazeta*, 22 December 1998, p. 1.
- 4 As of early 2015, the Shanghai Cooperation Organization comprised six member states—China, Kazakhstan, Kyrgyzstan, Russia, Tajikistan and Uzbekistan; five observer states—Afghanistan, India, Iran, Mongolia, and Pakistan; and three dialogue partners—Belarus, Turkey and Sri Lanka.
- 5 'Voennaya Doktrina Rossiiskoi Federatsii' (The Military Doctrine of the Russian Federation), *Krasnaya Zvezda*, 14 January 2015, p. 2.

# A New Model of Major Country Relations: Avoiding the Inevitable

Fan Jishe

A New Model of Major Country Relationship has been the major catchphrase in China's foreign policy, especially in its relationship with the US. The concept itself is not very new in China's foreign policy, but it has been advanced in a visible way ever since the Sunnylands Summit in June 2013. What has motivated China to advance this idea? How is the concept defined? Is this proposal helpful in handling China's disputes with other countries?

## **An effort to promote transparency with strategic intention**

China's economic development in past three decades has been accompanied by concerns about the 'China threat'. In late 1990s, China started to increase its investment in military modernization, the last of the four modernization objectives set in the 1980s under Deng Xiaoping. Double digit increases in the military budget and the new capabilities showcased in military parades were widely cited to justify this perception of "China threat". The underlying logic goes like this: first, history teaches that the rising power will challenge the status quo power—as happened before WWI and WWII in the so-called Thucydides's Trap; second, China will transform its economic power into military might; and third, China is not a democratic country, which the so-called Democratic Peace Theory suggests will make war more likely.

China has tried hard to dispel such concerns and misperceptions and provide reassurance that China will not take that path. The 'reassurance message' China wants to convey is directed both at the world in general, and toward the United States in particular.

In the first decade of 2000s, the new concept of China's peaceful rise was first articulated in 2003 at Boao Forum by Mr. Zheng Bijian, then vice president of the CPC Party School. It was also later used by President Hu Jintao and Premier Wen Jiabao. Two years later, in December 2005, the State Council Information Office published a white paper entitled 'China's Peaceful Development Road'. In this White Paper, China argued that its national conditions, historical and cultural traditions and the present world development trends made the road of peaceful development an inevitable choice. The White Paper was meant to reassure other countries that China was taking a road of peaceful development and would continue to do so as it became stronger in the future.

China's relations with the United States have been its top priority for many years. China has managed to find the appropriate framework for this bilateral relationship. In late 1990s, after China and the United States exchanged state visits, both countries agreed to work toward developing a constructive strategic partnership which was later recast as seeking to build a constructive and cooperative relationship. In

the Bush era, the new shorthand for the Sino-US relationship became candid, constructive, and cooperative.

In 2011, China began to talk about a New Model of Major Country Relationship, and has since attached much importance to this concept. The context of this proposal is particularly important. In 2010, China surpassed Japan in GDP, terms and became the Asia's second largest economy. Core Interests became a controversial topic in the Sino-US relationship, and the United States announced its high profile Pivot to Asia policy. This only added to the tension and the disputes between China and its neighboring countries over historical issues and territory claims, which became more troublesome than in the past. Thus, scholars and officials from both China and the US were very much concerned about the implications of China's rise for its relationship with the US.

Starting from then Vice President Xi Jinping's visit to the United States in February 2012, the theme of building a New Model of Major Country Relationship has been highlighted consistently. In a speech delivered at a luncheon co-hosted by the National Committee and the US-China Business Council, Xi laid out the key components for New Model of Major Country Relationship: increasing mutual understanding and strategic trust, respect core interests and major concerns; deepening mutually beneficial cooperation; enhancing

cooperation; and coordination in international affairs and on global issues. Immediately after the Sunnylands Summit, the essential features of New Model of Major Country Relationship were further distilled as: no conflict or confrontation; mutual respect; and win-win cooperation. This was China's latest attempt to build a stable and constructive relationship between China and the US, which would be resilient enough to withstand possible challenges in the future.

## A defensive proposal

President Xi defined the key features of New Model of Major Country Relationship himself, and Foreign Minister Wang Yi further elaborated this concept in his speech delivered at the Brookings Institution on 20 September, 2013.

Key points in this narrative include: for both China and the US the international environment has been fundamentally transformed over recent decades—the two countries share many interests and are increasingly interconnected. Neither China nor the US will benefit from confrontation, and war will get them nowhere. Avoiding conflict or confrontation is not a choice but a necessity. Mutual respect means that each country respects each other's system, core interests and concerns, and the path chosen by their people. This enables both countries to live together in harmony. Win-win cooperation is to work together and contribute on issues ranging from counterterrorism, nonproliferation, climate change to peace in the Middle East and economic development in Africa.

As to how to build the New Model of Major Country Relationship, Foreign Minister Wang Yi has advanced a number of ideas: enhancing strategic trust,

promoting practical cooperation; enhance people to people and cultural exchange; strengthening cooperation on international and regional hotspots and global issues; and prioritizing cooperation on Asia-Pacific affairs

Clearly, the proposal of New Model of Major Country Relationship is a message of strategic reassurance. Foreign Minister Wang Yi clearly stated that China respects the traditional influence and immediate interests of the United States in the Asia-Pacific, and China has never thought about pushing the US out of the region. Nor has China ever had the strategic intention to challenge or even replace the United States for its position in the world.

This proposal has also been reduced to specifics. Foreign Minister Wang Yi listed the areas of possible further pragmatic cooperation, including cyber security; climate change; the Syria issue; the Palestine and Israel peace process, the North Korea nuclear issue, and the Afghanistan issue. China is ready to work together with the United States to address these regional and global challenges.

In essence, the proposal is defensive. China respects American interests and concerns across the world in general, and in the Asia-Pacific region in particular. Meanwhile, China hopes the United States will also respect China's interests and concerns. In his speech, Foreign Minister Wang Yi noted that the Taiwan issue and the "system and path chosen by their people" as two of China's major concerns, among others.

Overall, the proposal advocates avoiding the bad, promoting the good and accommodating each other. It is the broad and principled framework for Sino-US relations that China has pursued for so long.

## An assessment of progress

The proposal of New Model of Major Country Relationship has been helpful in dislodging some barriers which prevent bilateral cooperation and opening up some new vantage points for official dialogue.

Both countries have shown their joint leadership on global issues, especially climate change. In the November 2014 ASEAN Summit, both Presidents made historic commitments to curb their greenhouse emissions over the next two decades. The United States would cut its 2005 level of carbon emissions by 26 to 28 percent before 2025, and China would peak its carbon emissions by 2030 and will also aim to get 20 percent of its energy from zero-carbon emission sources by the same year. During President Xi's state visit to Washington in September 2015, the two Presidents reaffirmed their determination to move ahead decisively to implement domestic climate policies; to strengthen bilateral coordination and cooperation; and to promote sustainable development; and support a transition to green, low-carbon and climate-resilient economies.

Both sides have tried to narrow their differences and boost cooperation on regional security challenges, such as the nuclear crises in Iran and North Korea. As stated by President Obama in a press conference on 25 September, 2015, China was critical to both the sanctions regime that brought Iran to the negotiating table and to the talks that produced the comprehensive deal to prevent Iran from obtaining a nuclear weapons. China broadened its cooperation with the United States in addressing the proliferation challenge from North Korea. As well, both sides decided to maintain communication and cooperation with one another

on the Afghanistan issue, to support peaceful reconstruction and economic development, support the reconciliation process and promote trilateral dialogue between China, the United States and Afghanistan.

Bilaterally, military-to-military relations between China and the United States have progressed significantly in the past three years. These advances include: exchange visits of high ranking military officials has increased dramatically; joint military exercises—such as the joint counter piracy naval exercise in the Gulf of Aden and the joint search and rescue exercise in Hawaii. Further, China was invited to participate the Rim of the Pacific Exercise; two Memoranda of Understanding on Confidence Building Measures were signed by the US and China in November 2014. Overall, the military relationship has been substantially delinked from the political relationship, making it less vulnerable to other bilateral disputes.

There have also been other efforts to manage bilateral differences. Cyber security issues have been a major source of friction in bilateral relations in recent times. China and the US set up the China-US Cyber Working Group in 2013 to address the thorny topic. Though China suspended this Working Group when the US indicted five Chinese military officers were involved in an alleged cyber theft case. Both sides managed to address the case in the recent summit. The two leaders agreed that neither government would conduct or condone economic espionage in cyberspace. They also agreed on a high-level joint dialogue mechanism on fighting cybercrime and related issues, together with a senior experts group for further discussion of cyber security.

Though advances have been made in forging a New Model of Major

Country Relationship between China and the US, the US has been very hesitant or at least less enthusiastic in responding to China's request for mutual respect. American reluctance is partially because the United States is not ready yet to accept China as an equal great power, and partially because the United States is concerned that China remains quite vague on its core interests.

## **Working on a strategically stable relationship**

There can be no doubt that the rise of China will see China and the US develop a competitive relationship in the Asia-Pacific. This will see competition in the political, economic and even military arenas. A competitive relationship is not necessarily negative. What is important is preventing a competitive relationship from developing into a confrontational one.

A New Model of Major Country Relationship between China and the United States is a solution proposed by China. Over the past several decades, China and the US have developed four pillars supporting a strategically stable relationship between two countries: mutual vulnerability to a nuclear strike; shared interests and common challenges; economic and political interdependence; and mutual reliance on a prosperous and stable international environment.

How can these four pillars be consolidated to make the strategically stable relationship reliably durable? Now it is the America's turn to provide its solution. The US needs to answer the following questions: How China is defined in American foreign, military, and security strategies? Is China entitled to protect its core interests? How are China's

increased and increasing economic, political and military capabilities viewed? Are these capabilities seen as enabling China to take more international responsibilities, to contribute more to the international public good, or viewed as preparing for the 'inevitable' conflict?

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# The Ascent and Demise of “New Type of Great Power Relations” Between the US and China

Bonnie Glaser and Jake Douglas

In 2015, relations between the United States and the People’s Republic of China continued the steady decay seen in recent years. Their visions for the future order in Asia, and to some extent globally, now diverge sharply over issues of profound disagreement like maritime disputes, regional security architecture, cyber security, and international financial institutions. While Washington and Beijing did sign a significant military-to-military agreement and agree to establish a new high-level dialogue mechanism on cybercrime during Chinese President Xi Jinping’s state visit this September, there are few other tangible signs of progress in the security domain. Many observers believe a rubicon has been reached, if not yet crossed, and that the two countries are in acute danger of slipping into outright strategic rivalry.

It is therefore especially timely to reflect on the idea that was supposed to prevent this. Xi’s signature foreign policy concept, the “New Type of Great Power Relations” (NTGPR, or *xinxing daguo guanxi*), for a time embodied the joint aspiration of these nations to avoid the historical trap of established and rising powers inevitably coming into conflict.<sup>1</sup> Yet the mutual desire for peace quickly ran aground on the practical question of implementation: peace on whose terms? Policy disagreements have eroded trust between the two capitals and frustration within Washington has grown at the perception that Beijing has sought to use the NTGPR to obtain and legitimize unilateral

concessions that advance Chinese interests at America’s expense. As President Barack Obama prepares to enter his last year in office, the Administration appears all but ready to shed the phrase and much of the optimism that inspired it. The implications reach far beyond words.

The idea for using a NTGPR framework to re-conceptualize Sino-American ties seems to have originated with former Chinese state councilor Dai Bingguo, who first used it in remarks at the second round of the US-China Strategic and Economic Dialogue (S&ED) in 2010. Xi Jinping was then vice president, and Presidents Obama and Hu Jintao had only just agreed in 2009 on a new joint objective of “build[ing] a positive, cooperative, and comprehensive US-China relationship for the 21<sup>st</sup> century”. As the first years of his administration have shown, however, Xi like Deng Xiaoping before him is a “big ideas guy” determined to imprint his personal stamp upon Chinese politics. Xi took Dai’s idea and ran with it.

Xi gave his first and fullest elaboration of the concept during a visit to the United States in February 2012. Shrewdly building it out of President Hu’s existing intellectual structure, in an address to 600 top US corporate and political leaders, Xi called for the two nations to begin working towards a “new type of relationship between major countries in the 21<sup>st</sup> century”. In another speech at the State Department, Xi hinted at the challenge prompting

such effort: a transformative shift in power between the world’s “largest developing country” and “largest developed country”, between whom there are few cultural or ideological similarities. To navigate it peacefully would be a unique diplomatic achievement, for which “there is no precedent for us to follow and no ready experience for us to refer”.

Independently, a parallel idea arose at the same time in the American halls of power. Then-Secretary of State Hillary Clinton gave an important speech in March outlining how the US hoped to manage China’s rise. This task was herculean, because Washington sought “to work with a rising power to foster its rise... while also sustaining and securing American leadership”. Clinton’s framing was actually more complex than the “Thucydides Trap” with which it is often conflated. Not only does the US wish to avert a repeat of the tragedy of ancient Athens and Sparta during their hegemonic war, but it also seeks enhanced cooperation on a host of pressing regional and global issues that cannot be solved without China’s support.

Beijing was probably the first to realize the basic compatibility between these two concepts. By May of that year, China was gearing up for a once-in-a-decade leadership transition, and Xi’s strength was already great enough to influence the agenda of the 4<sup>th</sup> S&ED. President Hu appears to have been persuaded to present Xi’s new

idea. The opening session was even named after the NTGPR concept. The Chinese had evidently listened closely to Secretary Clinton's speech in March 2012, and parroted almost her exact language about "writ[ing] a new answer" to "age-old" problem of power transitions. It proved an effective buy-in tactic—Clinton said she was honored so many Chinese officials had referenced "her" idea. American officials probably also appreciated that as a new leader, Xi wanted to break with former president Hu and pioneer his own concept for this critical bilateral relationship. In theory, making such a grand rhetorical gesture could have gone a long way towards securing his goodwill.

The NTGPR received its most authoritative acclaim by the two heads of state in June 2013 at the Sunnylands Summit. President Obama spoke of the need to "forge a new model of cooperation between countries based on mutual interest and mutual respect". In his own remarks, President Xi offered what became the most common Chinese definition of the concept: no confrontation or conflict, mutual respect and win-win cooperation. Xi also articulated a second, sub-concept—"the new type of military-to-military relations"—that was welcomed by then-Secretary of Defense Chuck Hagel and featured prominently in the Defense Department's 2014 China Power Report, as well as in many of the secretary's public addresses.<sup>2</sup> Through the medium of National Security Advisor Tom Donilon, the US broadcast that it had reached a "consensus" with China to work towards this new model.

Yet from the very beginning, irreconcilable differences in interpretation signaled the practical limits of the NTGPR framework. For instance, Obama Administration officials (except for the State Department) have carefully avoided

using the 'great power/major country' modifier. Beijing designed the NTGPR with only Washington in mind, so it is extremely rare for Chinese officials, scholars and media to include any other country under its umbrella. This exclusivity intensified fears of abandonment or a Sino-American "G2" power-sharing arrangement among US allies and partners. Tokyo privately pressed hard for Washington to ditch the proposal, so much so that then-National Security Council senior director for Asian affairs Evan Medeiros sought to mollify Tokyo's concerns in an interview with a Japanese newspaper.

Although every S&ED Strategic Outcomes factsheet since 2013 has reaffirmed the accord reached at Sunnylands to work towards "a new model of relations", this watered-down phrasing reflects the Administration's refusal to bend to Beijing's loaded language.

Perhaps most importantly, the United States and China have very different definitions of mutual respect. In his readout of the Sunnylands Summit, State Councilor Yang Jiechi asserted that the two countries had agreed to acknowledge "each other's core interests and major concerns". The issue is that Beijing really means US one-sided accommodation of what China believes to be its core interests—the set of policy areas on which it brooks no compromise and sees US intervention as illegitimate. Xi did not dive into the details publicly at Sunnylands, but he had already expounded upon this aspect at great length in his 2012 speech as vice president. Then, Xi had named three core interests: Taiwan, Tibet, and China's unique "development path" (code for the legitimacy of the Chinese Communist Party and its authoritarian model of governance). Neglecting to mention any US core interests, Xi obviously felt Beijing had shown Washington excessive

deference and that it is past time to balance the scales.

With its longstanding human rights concerns and defense commitments under the Taiwan Relations Act, Washington probably would never have swallowed true accommodation on even this limited range of issues. China's evolving definition of its core interests and the NTGPR framework in general has only exacerbated this problem. In addition to the restive Xinjiang province, some Chinese officials controversially applied the core interest label to the South China Sea in 2010 and to the Senkaku/Diaoyu islands in 2013. The 2011 White Paper on China's Peaceful Development and the new national security law in 2015 also identified "sovereignty and territorial integrity" as core interests. As for the new model, at the sixth S&ED in July 2014 President Xi explicitly connected it with this much broader reading of Chinese core interests. When a Chinese fighter jet engaged an American patrol aircraft in a dicey "Top Gun" encounter the following month, the Chinese foreign ministry spokeswoman linked the idea that realizing NTGPR must begin in Asia and lead to the reduction and eventual termination of US close-in surveillance along China's periphery.

The biggest question is what China thinks the concept means at the level of grand strategy. Beijing has been inconsistent about whether it welcomes a role for the United States in the Asia-Pacific. Even as China assures the US that the Pacific Ocean is big enough for both powers, in May 2014 Xi Jinping outlined a new "Asia for Asians" security concept at the Chinese-hosted meeting of the Conference on Interaction and Confidence Building in Asia. This stokes fears that China is trying to supplant the United States as Asia's leading power and is using the NTGPR to seek its ejection from the region. Indeed, in May 2015

Chinese Ambassador to the United States Cui Tiankai implied that to overcome its “Cold War mentality” and build the new model, the United States would have to abandon its military alliances in Asia.

Accepting Beijing’s maximalist definition of the NTGPR would conflict with many of Washington’s most vital security interests in the Asia-Pacific. In particular, defaulting on its treaty commitments would jeopardize the bilateral access and basing agreements that allow the US to surmount the “tyranny of distance” involved in projecting power halfway around the globe. Over time, frustration in Washington has mounted with Chinese constant efforts to persuade the US to publicly reaffirm support for the NTGPR label. Following the Sunnylands Summit, US officials immediately began competing with China to define the framework on their own terms. In March 2014, Medeiros argued that Washington and Beijing “need to focus less on core interests and... more on common interests”. At the 6<sup>th</sup> S&ED Secretary Kerry said that the NTGPR was “not going to be defined by us carving up areas and suggesting there are spheres of influence... [but] by our mutual embrace of standards of global behavior”. National Security Advisor Susan Rice stressed in a speech that the US and China should “operationalize” the framework—and not just agree on a slogan—by specifying concrete avenues for increased cooperation. At the fifth S&ED, Deputy Secretary of State William Burns linked Chinese fidelity to the spirit of the new model to Chinese progress in areas as diverse as the exercise of restraint; rules-based regional architecture; human rights; intellectual property theft; freedom of navigation; unimpeded commerce; the UN Law of the Sea; and even its handling of the Edward Snowden case.

Ultimately, the NTGPR has fallen as quickly as it rose to prominence. The Obama Administration is weary of playing the slogan game, and its willingness to engage President Xi on the language of the new model has worn thin. Beyond the well-known policy disagreements, US patience has been stretched to the breaking point by Chinese state media repeatedly spinning America’s acceptance of the framework in ways it does not support. Frustration builds every time Beijing says Washington has already agreed to what the United States sees as an aspiration that requires hard work on both sides to achieve. The impact of lobbying by US allies and partners should also not be underestimated. US officials privately complain about the Chinese misrepresenting Washington’s position to ASEAN countries, suggesting the United States is privileging Chinese interests at their expense.

Since September 2014, there has been significant rollback in US official discourse. Rice conspicuously avoided mentioning the NTGPR during talks in Beijing that fall. Even more pointedly, following the November APEC summit Obama outlined his own vision for the relationship as expanding cooperation and narrowing differences where possible. The Pentagon under Secretary Ashton Carter has also scrubbed any allusion to a new military-to-military model. Despite repeated use by senior Chinese officials in speeches and op-eds published in American newspapers, the NTGPR was all but dropped from the June 2015 S&ED, and US officials did not make so much as one public reference to the new model during Xi’s official state visit in September 2015.

The United States has evidently concluded that the costs of repeating the term outweigh the benefits. To Beijing’s chagrin, the administration appears to have concluded that the NTGPR is an unnecessary liability.

Of course, we do not know what Obama has said in private, and the White House is not openly rejecting the concept either. Yet as the United States’ competition with China for security and influence continues to deepen, Washington will probably stop talking about the new model of relations that was supposed to prevent it. Although US officials will continue highlighting the need for increasing cooperation, managing differences and even avoiding rivalry, they will do so in a significantly more pessimistic context.

Both countries may have overreached in seeking to turn a mutual desire to avoid conflict into wide-ranging concessions by the other side. It is still conceivable that Beijing will decide to accept the legitimacy of a strong US presence in the Asia-Pacific, and Washington may ultimately accommodate a role for China commensurate with its power.

But achieving a *modus vivendi* will require tough negotiations and genuine mutual respect. Mouthing the words of the “new type of great power relations” will not be a panacea for all of the ills in China’s relationship with the United States.

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- 1 China’s preferred English-language translation is “new model of major country relationship”.
- 2 On the rise and fall of the “new type of military-to-military relations” concept, see Bonnie Glaser and Jake Douglas, “Another Sign that US-China Relations Are Souring,” *National Interest*, July 7, 2015.

# China's Concept for a New Type of Great Power Relations: An Indian Perspective

Neelam D. Sabharwal and Hemant K. Singh

On the agenda for the Xi-Obama summit during Chinese President Xi's first state visit to the US from 23-28 September 2015, Beijing's insistence on engaging the US on a new type of major-power relations over the next decade featured prominently. Having emerged as an economic powerhouse following decades of spectacular and sustained growth, China now rivals the US as a major economic power. Furthermore, as a development paradigm, the so-called "Beijing consensus" is superior to the "Washington consensus", has gained traction in global discourse. Backed by its rapidly modernizing military and growing political influence in regional and global institutions, an ascendant China sees itself as the rising power in a region where the long dominant power, the United States, is declining. Clearly, China sees this as an opportune moment to reposition itself in relation to the world's sole existing great power and claim its rightful place at the global high table.

At the same time, China recognizes that even as its power gap with the US shrinks, in GDP terms its economy is still little more than half that of the US. China also lags way behind in soft power appeal. Though the largest fast-growing economy in the world, China is still by its own admission an emerging economy aspiring to moderate prosperity. In other words, China is the first developing country to have achieved major power status.

Due to the asymmetry of resources vis-à-vis the US and questions about its own future economic growth,

China worries about major challenges from the established great power, as evidenced by its concerns about America's "Rebalance" towards Asia. These concerns extend to the emergence of other rising powers, new strategic alignments and the consolidation of existing alliances in its neighborhood. China has thus placed itself in opposition to the "Rebalance", seeing it as a cover for countries led by the US ganging up on China to prevent its peaceful development. These factors, combined with China's presumptive claim to major power status with its accompanying regional initiatives such as the Asian Infrastructure Investment Bank and new China-led security constructs for Asia, have in turn directly challenged the US role in East Asia's security order.

Given China's unilateral assertiveness, most regional countries want the US define its position on China with clarity. This also goes for China's projection of its territorial and maritime claims, and other destabilizing actions from Northeast Asia to Southeast Asia. The response of regional states to these actions will also determine acceptance of China's claim to regional supremacy and positioning as a global power. There is also regional support for America's constructive engagement in Asia for continued stability. The last five years have seen the deepening of Trilateral strategic cooperation between Australia, Japan and the US, advances in the India-Japan-US Trilateral and an increase in bilateral strategic partnerships such as the ones developed between India and Japan and India and Vietnam.

ASEAN states have welcomed the US role at the East Asia Summit (EAS), the ASEAN Defense Ministers Plus process and the expanded ASEAN Maritime Forum.

Thus, managing great power relations has assumed an added urgency for China and has become the fulcrum of its diplomacy with the US since its new leadership took office in 2012. The orchestrated build-up of Xi in the run up to the leadership change, as a more self-confident and powerful leader capable of making big strategic moves, prepared the ground for launching China's new orientation. China lost no time at the beginning of President Xi's term to reset the fundamental direction of its relations with the US by announcing its foreign policy concept of a "New Type of Great Power Relations". The new concept, buttressed by China's foreign policy under Xi Jinping, has effectively been a script characterizing China's new status as the leading power in Asia, poised to be one of the two leading major powers globally, that China has endeavored to act out.

The addition of a "new model of major country relations" as a guiding principle of foreign policy has sent the Chinese media, party and state entities, strategic community and indeed the entire foreign policy establishment into overdrive to explain and annotate the concept. Reminiscent of the campaigns launched by the theoretical and propaganda wings of the Chinese Communist Party in its heyday, this was projected as a novel concept developed by China to manage

major power relations appropriate to the 21st century. The main characteristics have been described as the simultaneous presence of challenges and interests; coexistence of competition and cooperation; mutual respect and a win-win framework of relations. Within China it was widely applauded as creative thinking to defy traditional theories on the inevitability of conflict associated with the rise of a new power.

China's influential ally's have also endorsed the concept as innovative thinking to avoid the so-called 'Thucydides Trap', that most dangerous period in relations between states when a rising power challenges established pre-eminent powers. For instance, Kevin Rudd, Australia's Prime Minister from 2007-10, and again in 2013, has supported the concept as a means to avoid the mistakes of the early 20<sup>th</sup> century.

The idea of evaluating the international situation and developing its foreign policy and national security goals is consistent with Chinese practice since the founding of the PRC in 1949. Its critique of the existing world order is centered on the objective of breaking up the global concentration of power, while China views its own accumulation of power as just, democratic and ethical. Thus, in its own transition from a position of isolation and relative weakness in the twentieth century to its emergence as a preeminent power, China has created a narrative of theoretical constructs: from Mao's "strident three worlds" to Deng's "setting aside disputes and keeping sovereignty", "good neighbor policy", "multi-polarity" and "peaceful rise". Hu Jintao's "harmonious world" and Xi Jinping's "China Dream" and "New Type of Great Power Relations" add to the narrative. A thread running through these concepts propounded unilaterally in different eras has been China's aim to advance its core interests and to achieve a transformation of existing power hierarchies.

Significantly, the only jointly formulated set of guiding principles announced by China were the Five Principles, or *Pancasila*, coauthored with India in 1954. These principles represented the most basic elements of international law, the essential characteristics of a new type of interstate relations, and were hailed for their universal validity in a resurgent developing world. But less than a decade after their enunciation, China jettisoned these principles in its relations with India in 1962. Today, in a vastly transformed world, China has reinvented them to carve its way to regional and global leadership. Indeed, the "new type of great power relations" in essence bears close similarity to the Five Principles of Peaceful Coexistence. It keeps open the discourse of equality and sovereign rights to project itself as a responsible rising power. What has changed today is that instead of ideological grandstanding, China now focusses on the process of major power dialogue, engagement and partnership.

In conformity with this historical lineage, an optimistic President Xi raised this concept in the informal setting of the Sunnylands Summit with President Obama in June 2013. The core elements were stressed as no conflict, no confrontation, mutual respect, and win-win cooperation. Xi had also put forward this idea earlier when he visited the US in February 2012 as the Chinese Vice President. During that visit, he had called upon the two countries to work together to build a new type of relationship between major countries in the 21st century, to set an example of constructive and cooperative state to state relations between countries with different political systems, historical and cultural backgrounds and economic development goals, an example without precedent and one that would inspire future generations.

The groundwork for this enunciation was laid during several preceding rounds of strategic dialogue with

the US by State Councillor and former Head of the International Liaison Department of the CCP, Dai Bingguo, who had also been principal interlocutor with the US and Russia and with India on the boundary question. In 2010, he tested the idea at the second Sino-US strategic and economic dialogue, when he proposed "China and the US should initiate, in an era of globalization, a new type of great power relations of mutual respect, harmonious coexistence, win-win relations between states with different social systems, cultural traditions and levels of development".

Ahead of Xi's visit in 2012, a compelling case was presented by Cui Tiankai, then Vice Foreign Minister and at present China's Ambassador to the US. He went so far as to say that for China to follow unswervingly its strategic choice of taking the peaceful road to development, a major prerequisite was for China and the US to develop a new model of bilateral relationship. Based on a "win-win approach", the two countries should cooperate in international affairs, maintain channels of dialogue and communication (including military-to-military links), strengthen business ties, intensify people to people exchanges and uphold a strategic consensus that neither side has any territorial claims on the other. He also listed the five thorny problems in China-US relations: lack of mutual trust, bottleneck of "core interests", Taiwan issue, the imperative of treating each other as equals, restructuring the trade mix, and ensuring healthy interaction in Asia. China, he concluded, respected US legitimate interests and expected the US to likewise respect China's interests and concerns.

Foreign Minister Wang Yi's address at the Brookings Institution in September 2013 explicitly singled out the Asia-Pacific as an experimental area, where the two sides could work together to develop such a relationship. China, he said, had no

interest to drive the US away, while equivalent US respect for China's interests would ensure the avoidance of confrontation.

Xi's ambition to engage the US Administration to develop a "New Type of Major Power Relations" reflects the desire to manage the relationship to better accommodate China's rise and pre-empt threats to its ability to advance its expanding economic and strategic interests. Although skeptical, the US side was initially receptive, as indicated in early statements by President Barack Obama and other senior administration officials.

Obama and his team may have assumed that China could be persuaded to step back from challenging the "rebalance" to Asia, the cornerstone of US policy in the region. However, there is now a growing perception that the Chinese position demands disproportionate compromises and a pre-emptive withdrawal by the US to accommodate Chinese ambitions. China for its part has escalated confrontation in East Asia and the South China Sea, launched initiatives like Asia Infrastructure Investment Bank and presented major new challenges on issues like cyber security. These moves signal China's determination to change the regional order in Asia, as much as the US "Rebalance" seeks to preserve it. So far, China has not been able to significantly advance its "new type of major power relations" with the Obama Administration, nor has the US been able to persuade China to step back from challenging the cornerstone of its policy in the Asia-Pacific.

Against this background, Xi's state visit to the US was watched with great interest in world capitals, especially in the Asia-Pacific region. Xi's proactive engagement with the US business community and technology leaders to project the lure of the Chinese market appeared designed to trump the

US Administration on its own turf. But the Xi-Obama summit has not brought the "new type of major power relations" any closer, despite tentative commitments on cyberattacks. Xi has reiterated China's claim of sovereignty over the South China Sea "since ancient times", denied that construction activities target or impact any country, and made an ambiguous commitment that China does not "intend" to pursue "militarization".

For Asia's emerging powers, the security challenges posed by China will thus remain paramount. The absence of a balanced, region-wide security architecture to mediate power shifts and uphold a rules-based order is acute, rendered infeasible by a lack of congruence in national systems and security perspectives. The revival of Asian power in the 21st century is creating "Asian anxiety" instead of "Asian solidarity". It is increasingly clear that having long benefitted from the US-led international order, China has enjoyed a free ride to major power status and secured far greater salience for itself at the expense of an Asia where everyone rises.

This conjuncture must now be scrutinized more critically, and for good reason. In its external manifestation, Xi's Chinese dream is not a benign construct. It seeks to impose a hierarchical regional order which respects Chinese hegemony. Countries like Japan and India must reconcile to this reality as Russia appear to have; the US must accommodate; and none can question China's core interests which are non-negotiable. Nowhere is the challenge to regional security more evident than in the maritime domain. China's artificial islands in the South China Sea are changing facts on the ground and will potentially alter the naval balance of power by excising the maritime heart out of South East Asia.

Fortunately, the regional power equation has not yet swung irrevocably

in China's favor. Its controlled escalation, creeping expansionism and growing capacity for military coercion are giving rise to new security alignments and strategies for diplomatic, political and military balancing. China's attempts (with Russian support) to impose a regional security architecture that pushes the US alliance based system and strategic partnerships among like-minded democracies to the periphery are being resisted.

India has revived its historical maritime interests across the Indo Pacific and joined the US, Japan and ASEAN in raising concerns about maritime freedoms in the South China Sea. Japan has adopted new security laws which will add substance to its aspiration to make proactive contributions to peace, which has been broadly welcomed in the region. Trilateral constructs are being elevated and deepened. And there is still hope that ASEAN may retain enough cohesion to strengthen the EAS as the principal leaders' led forum for strategic dialogue, security cooperation and upholding a normative regional order.

China would do well to understand that the principal constraint to its inexorable rise is its own aggressive, nationalist posture. Alongside its push for a "new type of major power relations", it should seriously consider putting forward constructive ideas for a "new type of emerging power relations" that uphold a more multi polar balance in Asia to secure peace, stability and long term prosperity.

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# What's in a Name?: The China-US Interaction Over the "New Type of Major Country Relationship"

Seiichiro Takagi

When Xi Jinping's visited the United States as Vice-Chairman of the State in February 2012 and proposed to establish the *Xinxing Daguo Guanxi*, or New Type of Major Country Relationship<sup>1</sup> (NTMCR), with the United States, it was not so apparent that he meant far more than simply an aspiration for positive relations. It became increasingly clear, however, that this new manifestation of the Chinese penchant for concept-driven management of important international relationships, and the interaction between the United States and China over the use of the concept, constituted an important aspect of the search for a new bilateral equilibrium with serious regional implication. Xi's Washington speech was delivered against the backdrop of two important changes in the bilateral relationship, which had found a post-cold war equilibrium in the US engagement approach based on its supremacy and China's low profile foreign policy, known as the *Taoguang Yanghui*, or hide capability and bide one's time. One change was China's shift to assertive pursuit of what they call "core (national) interests" and the other was the US rebalance to Asia-Pacific.

China's assertiveness was most clearly visible in the East Asian maritime theater, with the harassment of the US navy's surveillance activity in the South China Sea in March 2009 as the harbinger. Chinese harassment of other US naval surveillance

activities, and of Vietnamese and Philippine fishing activities in the disputed areas continued into 2010. A Chinese fishing boat rammed into two Japanese coast guard ships near the Senkakus and the captain was arrested in September 2010. The shift to assertiveness, which represents a clear departure from the low profile approach, was motivated by several factors. The most significant is the heightened self confidence caused by China's rapid rise in global economic status, including a swift recovery from the global financial crisis and surpassing Japan as the world's largest economy after the US. The fact that the 2008 global financial crisis—originated in the US—fuelled Chinese perceptions that power balance between them and the US was shifting in their favor. The Obama Administration's initial accommodative approach to China in 2009, manifest in its decision to postpone Taiwan arms sale and President's meeting with Dali Lama, reinforced these perceptions.

The pronounced shift in China's external posture, and the concerns expressed by its allies and friends, encouraged the United States move its strategic focus to the Asia-Pacific. The shift, first called a "pivot" and then a "rebalance" to Asia, further highlighted the drawdown in Iraq and Afghanistan. Compared with the past administrations' emphasis on Asia, the Obama Administration's approach was more comprehensive and ambitious. Militarily, it centered on a commitment to deploy 60 percent

of the US Navy in the Pacific. Politically, it took the ASEAN Regional Forum more seriously than its predecessor and decided to participate in the East Asian Summit. Economically, it proposed to join the ambitious Trans-Pacific Partnership (TPP) trade agreement as the next objective for selected partners in the region. China sensed the budding of a US containment strategy in these developments.

Xi Jinping's address in Washington in February 2012 was delivered in this context. Xi called for the establishment of the NTMCR and for a common effort on four particular issues: mutual understanding and strategic trust; respect for each other's core interests and significant concerns; structure of cooperation, for mutual benefit and win-win; and coordination and cooperation on international and global issues. Although he did not make clear what constituted the NTMCR, it was clear that the speech called on the U.S. to search for a new equilibrium in the bilateral relationship.

The US took the speech seriously. Xi was, after all, China's next State Chairman. State Secretary Hilary Clinton responded to it, in a speech in March 2012, by raising "the ancient question of what happens when an established power and a rising power meet". The question was preceded by the assertion that the US is attempting to "work with a rising power to foster its rise as an active contributor to global security, stability and prosperity while also sustaining and securing American

leadership”. Former US Secretary of State Hilary Clinton appeared to be asking how the Chinese felt about the strong propensity for a rising power to risk war through challenging the established power, the so-called Thucydides trap.

China’s response to this question came in a speech in May by Hu Jintao. Hu mentioned, as the first of four requirements of the NTMCR, the need of innovative thinking to break down the traditional logic of major power confrontation and conflict in the history. This point was elaborated on in an article written by Cui Tiankai, Vice Foreign Minister, with a junior colleague and published in June. It characterizes the NTMCR as a relationship of “cooperation not confrontation, win-win results not zero-sum game, and healthy competition not malicious rivalry”, and argued extensively for its realism and practicality.

The article also examined difficulties to be overcome such as the lack of mutual strategic trust, mutual respect for core interests, and interactions in the Asia-Pacific (for which the US had to take responsibility). Interestingly, the article stressed that China had no intention to confront the US, and insisted that the relationship with the US takes “a special and important position in China’s overall diplomacy”. It also re-emphasized the low profile (TGYH) approach toward the US adopted by China’s leaders in the past and suggested that this approach was still being practiced.

From then on to the informal Xi-Obama summit in California in June 2013, China took every opportunity to press for the establishment of the NTMCR. At the press briefing following the two-day informal meeting State Councilor Yang Jiechi presented the official formulation of the NTMCR as consisting of three pillars: no conflict and no

confrontation; mutual respect for social system, developmental road, and win-win cooperation. The gist of the formula appeared to be to convince the US that China would avoid confrontation and to make the US respect China’s “core interests”, which had been officially defined in 2011 as national sovereignty, national security, territorial integrity, national unity, stability of its political system and sustainable development.

Meanwhile, the United States echoed China’s intention to avoid the Thucydides’ trap but was unenthusiastic about the use of the term NTMCR. In a speech delivered in March 2013, National Security Advisor Donilon challenged the proposition that an established power and a rising power are bound to fight a war, but never referred to the NTMCR. President Obama himself avoided the usage of the Chinese expression and used such phrases as “new model of cooperation between countries” or “new model of the US-China relations” to express basically the same thought. It seems that what the U.S. was interested in was concrete action not words.

However, the US official treatment of the concept in the latter half of 2013 caused some confusion. President Obama’s statement in September that he and Xi agreed to build “a new model of great power relations based on practical cooperation and constructively managing our differences” was perceived as acceptance of the concept in spite of modifying the phrase. When National Security Advisor Susan Rice said in November that “we seek to operationalize a new model of major power relations” it was perceived as another sign of acceptance of the NTMCR concept. The term “operationalize” was understood to mean making the concept work as the Chinese defined it, even though

her intention could have been to define the concept in terms of observable behavior or phenomena, as in the case of behavioral science, which is closer to the US penchant for focusing on concrete actions.

In any case, Rice’s November statement was shortly followed by China’s unilateral announcement of the Air Defense Identification Zone (ADIZ) in East China Sea including the airspace above the Senkakus. The US government quickly announced disapproval and dispatched military aircraft to the area without prior notification. The exchanges over the ADIZ led to re-examination of the US approach to the NTMCR concept. In early December Susan Rice delivered a speech at a human rights organization, clearly suggesting that human rights and democracy belongs to the US definition of “core interests”. Even more explicitly, the *Quadrennial Defense Review of 2014* issued in February included the security of allies and partners, “respect for universal values at home and around the world,” and “an international order advanced by the US leadership” in the definition of the US “core national interest”. The report also made clear that the U.S. was not convinced that China intended to avoid confrontation by noting that “China will continue seeking to counter US strength” with its anti-access and area-denial (A2/AD) approach and its cyber and space control technologies. These actions by the US signaled its own demanding expectations of the concept of “mutual respect for core interest”.

Since 2014, the US has stopped making explicit reference to the NTMCR and started to explicitly refute what the US considered to be implied in the Chinese definition of the term. China, however preferred to report that official exchanges with the US continued to reaffirm a consensus on the NTMCR. These

distinct attitudes to the NTMCR were starkly apparent at the Beijing summit in November 2014, with Chinese media reporting that Obama had agreed to jointly establish such a relationship while the White House could show that Obama had never mentioned the term. At the joint press conference in Beijing, Xi publicly stated that “the Pacific Ocean is broad enough to accommodate the development of both China and the United States”, which he had reportedly stated at the informal summit in California in 2013 and was interpreted as a proposal to divide up the Pacific Ocean into spheres of respective influence. Whether or not Xi actually intended it, the notion of spheres of influence was flatly denied by Obama in his speech in Australia which he visited after Beijing.

A similar pattern was evident during Xi state visit to the US in September 2015. Xi mentioned the NTMCR twice at the joint press conference but Obama never mentioned it. The press conference also suggested that the summit meeting had involved almost confrontational exchanges. Concerning the cyber security issue, Obama hailed the common understanding that neither government would “conduct or knowingly support cyber-enabled theft of intellectual property” but also said that the words need to be followed by action and suggested the possibility of sanctions against China to protect American companies, citizens and interests. He also expressed “significant concerns over land reclamation, construction and the militarization of disputed areas” in the South China Sea.

Xi, on the other hand, insisted that the “islands in the South China Sea since ancient times are Chinese territory” and defended the land reclamation. A Xinhua report again inferred that Xi had pressed his six-

point proposal for NTMCR at the summit, but also suggested that the Chinese demand for the “mutual respect” had been reformulated. As the objects of “mutual respect”, the Xinhua report now only mentions “differences in historical and cultural tradition, social institutions, road of development and developmental stage”. The list no longer included sovereignty and territorial integrity, not to mention the reference to “core interest,” which seems to reflect lowered expectations on the Chinese side.

The evolution of the US response to the Chinese advocacy of the NTMCR resembles a piece of wisdom from Confucius, the ancient Chinese sage. In the chapter 5 of the Analects, he said, “At first, my way with men was to hear their words and give them credit for their conduct. Now my way is to hear their words, and look at their conduct.”<sup>2</sup> The US has yet to find effective counter-measures to change China’s disappointing conduct. China, on the other hand, appears to coming slowly to the realization that the NTMCR with the US as they defined it in 2013 is an unattainable goal. And as they have yet to come up with a new formula, the new strategic equilibrium is still in the process of evolution.

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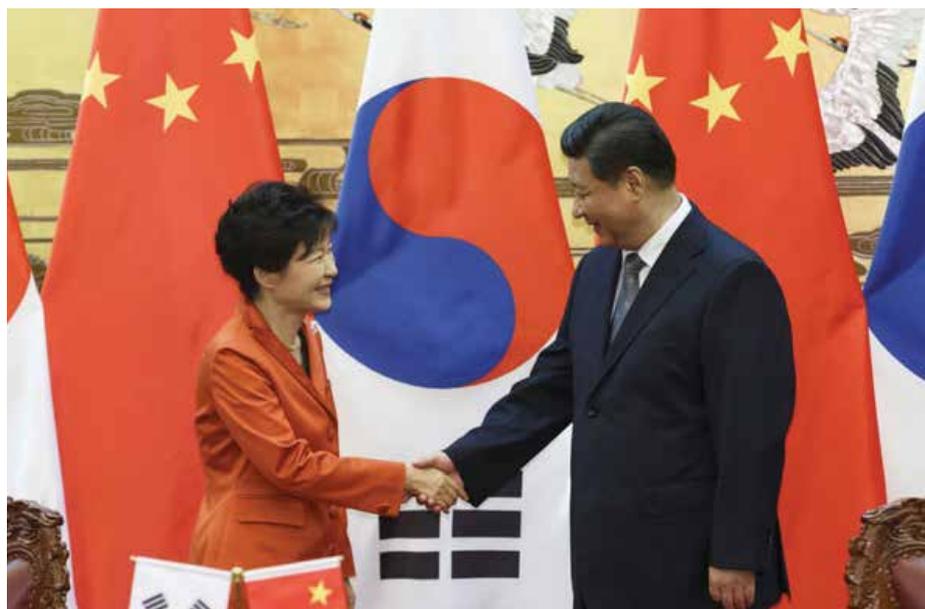
- 1 The English translation of the term by both sides varied at first but it gradually settled on this on the Chinese side. The concept is referred to as the NTMCR, except in the case of direct quote.
- 2 The translation is by James Legge, and taken from the USC US-China Institute website.

# Security Outlook 2016: A South Korean Perspective

Chung-in Moon

Since its inauguration in 2013, the government of President Park Geun-hye has initiated the Korean Peninsula Trust Process, which seeks to improve inter-Korean relations and facilitate peaceful reunification through the promotion of exchange and cooperation as well as confidence-building. But in practice, the process has been rather dismal. As South Korea and the US conducted their annual joint military exercise Key Resolve and military training Foul Eagle from January to April 2015, North Korea responded by conducting massive military maneuvers and test-firing seven surface-to-air missiles into the sea on 13 March 2015. This was the first time North Korea tested the SA-5—a medium-to-high-altitude surface-to-air missile—which was developed by the Soviet Union in the 1960s. On 11 May this year, North Korea claimed to have successfully launched a ballistic missile from a submarine, which its state media hailed as a “world-level strategic weapon” with an “eye-opening success”. Likewise, military tension was heightened over the Korean Peninsula in the first half of 2015.

With such tension notwithstanding, marking the 70th anniversary of Korea’s liberation and national division on 15 August 2015, the Park Government planned an array of joint events with North Korea as a means for a possible breakthrough in the stalled inter-Korean relations. Soccer and Korean wrestling matches, joint cultural and performing arts festival events, and religious and academic gath-



South Korean President Park Geun-hye with Chinese President Xi Jinping, in Beijing, 2015. Source: Korea.net.

erings were proposed. But Pyongyang turned them down flatly, and inter-Korean relations hit rock-bottom.

On 4 August, two South Korean soldiers were critically wounded in a mine blast while patrolling the southern part of the heavily fortified demilitarized zone (DMZ) in Paju, Gyeonggi Province. Although no fatalities occurred, the incident shook South Korea. After a two-day joint probe with the United Nations Command, the ROK Joint Chief of Staff concluded that steel springs, firing pins and other debris from the detonated devices collected from the scene were consistent with the wooden-box mines used by the North Korean military. North Korea was condemned for committing a nasty and intentional

provocation and violating the 1953 Armistice Agreement.

Seoul’s response was firm. In addition to its usual rhetoric of retaliatory punishment, Defense Minister Han Min-koo increased psychological warfare against North Korea by resuming loudspeaker broadcasts in the DMZ, which were suspended in 2004 through mutual consensus at a North-South general-level talk. The propaganda program, known as “Voice of Freedom”, broadcast such news as the execution of elite military officials and other power struggles within the top echelons in the North, the defection of senior North Korean military officials, information about freedom and democracy, and other regional and global issues. Such broadcasts are known to have been

effective in reaching as far as ten kilometers into the North. Ten days after the incident, North Korea's National Defense Commission officially denied its involvement in the landmine explosion, demanding Seoul provide solid proof. The North Korean statement said: "If our army really needs to achieve a military purpose, we would have used strong firearms, and not three units of mines." The commission further warned that the North Korean military will stage precision attacks on those speakers.

The confrontation resembled a game of chicken awaiting a fatal crash, which could quickly escalate into something very serious. This is more so because Seoul and Washington started an annual joint military exercise named the Eulji Freedom Guidance (UFG) on 17 August 2015. Although the exercise was by and large a computer simulation, 30,000 American soldiers and 50,000 South Korean forces participated, along with small numbers of troops from Australia, Canada, the United Kingdom, France and New Zealand.

After marathon crisis talks, North and South Korea averted the brink of military confrontation on 25 August 2015. North Korea expressed regret for the landmine blasts that maimed two South Korean soldiers and agreed to withdraw forces from the frontline. In response, South Korea also vowed to stop broadcasting anti-Pyongyang propaganda across the border. In addition, the negotiations resulted in an agreement to resume a reunion for separated families as well as expand civilian exchanges and cooperation. More important was the reactivation of high-level official talks between Pyongyang and Seoul that were severed in October 2014. Defusing a sharp crisis had abruptly resulted in greatly enhanced expectations for improved inter-Korean relations

and tension reduction, but Korean security still remains quite precarious and uncertain.

### **Three scenarios: Escalation, de-escalation, *status quo***

A further round of crisis escalation is a disturbing prospect. Pyongyang has recently announced that it will launch a rocket for the peaceful use of Space around 10 October 2015, the 70th anniversary of the founding of the Korea Workers' Party (KWP). Contrary to North Korea's claim that the rocket is to launch satellites and that it has an inherent right to launch it, the international community regards it as a violation of UN Security Council resolutions that ban any application of ballistic missile-related technology. If the North goes ahead with the launch, it is likely to face tougher sanctions, and the US would even consider initiating a "secondary boycott" that could severely damage North Korea's economy by placing its routine trade under sanction. Judged on its past practices, North Korea may well reciprocate by undertaking a fourth underground nuclear test. Such developments would invalidate the 25 August agreement, and heighten military tension due to the threatening peace and stability on the Korean Peninsula.

On the other hand, there is a chance for the de-escalation of tension through mutual concession and the creation of a virtuous cycle of confidence-building and improved bilateral relations between Seoul and Pyongyang, and Washington and Pyongyang. This scenario could become plausible when and if the North takes a more prudent and cooperative attitude by not only aborting its launch plan, but also implementing the 25 August 2015 agreement by holding the reunion of separated families as

scheduled and promoting civilian exchanges and cooperation. The South can reciprocate by lifting the ban on the Mt. Geumgang tourist project, as well as relaxing the 24 May measures. President Park, who planned to visit the US on 16 October, could easily persuade President Barack Obama to resume a dialogue with Pyongyang, fostering a virtuous cycle of constructive interactions among South Korea, North Korea and the US. But the plausibility of this scenario seems rather dim.

Finally, an in-between scenario has some credibility. Despite Pyongyang's rocket launch, Seoul abides by the 25 August agreement, and carries out the reunion of separated families and retains official channels of communication with the North. In a similar vein, the Park government could become more prudent in imposing sanctions against the North. Such a flexible stance by Seoul could prevent Pyongyang's additional brinkmanship diplomacy and mitigate a hardline military posture. Domestic and international political pressures may well prevent the Park government from taking such a reconciliatory stance. Thus, if North Korea launches the rocket, the *status quo* scenario might be less likely, in which case the overall security situation would become worse and more complicated. Although some analysts predict a potential security crisis, followed by the collapse of the North Korean regime, it seems highly unlikely in the short run.

### **Stalled Six Party Talks and North Korea's nuclear ambitions**

Pyongyang's nuclear ambitions will continue to pose a major threat to South Korea's security throughout 2016. While the Six Party Talks have been stalled since 2009, North

Korea has been strengthening its nuclear weapons capability by increasing its stock of plutonium and diversifying into uranium enrichment. If left unchecked, North Korea is expected to acquire more than 100 nuclear warheads in the coming decade. It has also undertaken three underground nuclear tests, and has significantly enhanced its delivery capabilities. Worse, North Korean leader Kim Jong Un pledged to push for the “*Byongjin* Line”—a policy that aims to pursue economic development and nuclear weapons simultaneously. Pyongyang has declared itself as the ninth nuclear weapons state in the world, which would jeopardize security on the Korean Peninsula, trigger a nuclear domino effect in the region and threaten the global nuclear non-proliferation regime.

Major stakeholders have remained inactive and even helpless in the face of North Korea’s intensifying nuclear threat. After the third nuclear test in February 2013, Pyongyang called for the immediate resumption of the Six Party Talks without any preconditions, which was partly orchestrated by the Chinese government. On January 9, 2015, the North made another proposal to suspend its missile launching and nuclear testing and to make additional concessions if the US and South Korea halted joint military exercises and training. But Washington rejected the offer instantly. Under its “strategic patience” policy, the Obama administration has maintained that it won’t talk with Pyongyang unless it comes with a sincere attitude and commitment to nuclear disarmament. The US also insists that the North must abandon its *Byongjin* policy. South Korea and Japan have taken sides with the US.

As host of the Six Party Talks, China has been trying to narrow the gap between North Korea and the

US, but has so far failed. If North Korea refrains from any further provocation such as a fourth nuclear test, China has insisted that the concerned parties should resume the Six Party Talks, while urging the US and South Korea to lower the bar for North Korea to join diplomatic talks by avoiding unnecessary provocations such as joint South Korea-US military drills and by reopening the Six Party platform immediately without any conditions attached. But Seoul and Washington have not taken Beijing’s offer seriously, and Pyongyang has also been distancing itself from Beijing. As China’s influence is limited, prospects for the Six Party Talks become even more dim. Failure to resolve the North Korean nuclear problem through dialogue and negotiations will hinder the process of inter-Korean confidence-building, and eventually precipitate a catastrophic security outcome on the Korean Peninsula.

### **Walking a tightrope?**

Another security concern could arise from China’s strategic rivalry with the US. Since 2010, the Obama Administration has been pursuing a “Pivot” to Asia strategy, as a means of balancing the rise of China. As a staunch ally, South Korea is expected to join the American balancing efforts along with Japan and other allies in the region. But Seoul has been somewhat ambiguous in its strategic positioning. Growing economic dependence on China as well as Beijing’s influence over Pyongyang have made the Park government take a more prudent and balanced foreign policy between the two giants, seeking to harmonize a dependable ROK-US alliance and developing a strategic cooperative partnership with China.

But recent moves by President Park have generated concerns

in Washington and Tokyo that Seoul is tilting toward—if not bandwagoning—with China. American opposition notwithstanding, South Korea joined the Asia Infrastructure Investment Bank (AIIB). The Park government has also shown a rather hesitant attitude regarding an American plan to deploy the Terminal High-Altitude Area Defense (THAAD) system in South Korea, which is designed to shoot down incoming short, medium, and intermediate ballistic missiles from the North, partly due to China’s sensitive reaction. Most recently, on 3 September, President Park attended a ceremony in Beijing celebrating the 70th anniversary of China’s victory against Japan and the international war against fascism. She was the only leader among American allies and friends who attended the Victory Day ceremony and parade.

Pundits in Tokyo and Washington have accused President Park of taking an opportunistic attitude toward China, compromising the alliance with the US. Such accusations seem unfair and overly simplified. As to the AIIB, other American allies such as Australia joined, and Seoul is known to have had a full discussion with Washington before it made the decision. And the American government has not yet officially proposed the deployment of THAAD. President Park had a close consultation with the Obama administration before her visit to Beijing in September. In Beijing, she secured an impressive array of achievements that are beneficial for both South Korea and the US, which included closer policy consultation between Seoul and Beijing; a commitment by the leadership of both countries to the denuclearization of North Korea; reducing the risks of acute tensions on the Korean peninsula; candid discussion over the Korean

unification; and an agreement on the resumption of a trilateral summit among the ROK, China, and Japan in late October or early November this year. It is true that South Korea under the Park's leadership has been walking a tight rope between China and the US. But Park's priority has been the US, and will continue be so for the remainder of her tenure in office.

South Korea has a mixed security outlook in 2016. Whereas President Park is likely to manage bilateral relations with China and the United States relatively well, inter-Korean relations will remain hyperbolic, oscillating between conflict and cooperation. Prospects for a negotiated settlement of the North Korean nuclear issue appear bleak, threatening peace and stability on the Korean Peninsula. The security dilemma will continue to haunt South Korea throughout 2016.

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# The Regional Security Outlook for 2016: A View From Thailand

Kavi Chongkittavorn

The fluidity of the regional and international security environment has been exemplified by increased tension between the US and China, the world's two biggest economies. This feature will continue unabated in the years, if not decades, to come due to the unprecedented rise in China's economic strength and influence over the past three decades. The US—which has been the dominant power in the Asia-Pacific since the end of World War II, is now being challenged both economically and strategically. Unlike Russia, America's main rival in the past, China's rise enjoys wider support from networks of developing countries and millions of Chinese diaspora around the world. With its sheer size of population and economy, China's economic performance is now considered the key indicator of the well-being of the global economy. Imperative to regional security is that the Association of South East Asian Nations (ASEAN) countries assess and respond intelligently to this new international environment.

## ASEAN balances the US-China competition

Both the US and China are major dialogue partners of ASEAN. Although the US was among the first batch of dialogue partner to join ASEAN back in 1977, the overall ASEAN-US relationship is no match for the one with China that will commemorate its 25<sup>th</sup> anniversary of diplomatic relations in 2016. China has the most comprehensive engagements with ASEAN with a



A US Marine pilot enters the cockpit of an F/A-18 Hornet, during a training exercise with the Royal Thai Air Force, 16 February 2015. Source: US Marine Corps.

total of 44 committees at various levels, including the summit, ministerial, senior officials, experts and working levels. In comparison, the US has only 19 committees altogether covering the whole gamut of their bilateral cooperation. While China was awarded the status of having a “strategic partnership” in 2003, the US has not yet been accorded such a privilege due to “the lack of substantive contributions” to ASEAN.

This perception might appear odd, given the longstanding US military presence in the region but makes more sense when viewed strictly from an ASEAN perspective. It took Washington 18-years to accede to the Treaty of Amity and Cooperation (1976) when ASEAN opened up this regional code of conduct for non-ASEAN signatories in 1992.

China was first to accede in 2003, along with India. It was only in 2012 that the US-ASEAN summit was institutionalized after years of negotiations due to Washington's hesitations. China and ASEAN have already held 17 full summits. At the moment, Japan, China, South Korea, India and Australia are all strategic partners with ASEAN. New Zealand will become the sixth during the ASEAN-New Zealand Summit in November 2015 in Kuala Lumpur in recognition of Wellington's enormous efforts to strengthen bilateral ties. Washington has a lot of catching up to do.

At the end of 2011, the Obama Administration initiated the rebalancing policies towards the Asia-Pacific to strengthen its economic and military ties among the alliances, friends and even

former foes. Now that nearly four years have elapsed, the results are mixed at best—as the Obama administration has been jumping from one international crisis to the other, especially during its second term. The US has successfully deepened and broadened security cooperation with the Philippines, after years of negligence, following Manila’s request for a stronger US security commitment to counter China’s growing assertiveness in the South China Sea. Indeed, the enhanced US-Philippines cooperation has already impacted on Manila’s attitude toward ASEAN, which it helped found in 1967.

Since the tension over the maritime stand-off between the Philippines and China over the Scarborough Shoals in 2012, the government of President Benigno Aquino III has opted for more assistance from Washington and in the process overlooked the role of ASEAN and its effort to engage with China in managing the conflict after both sides concluded the Declaration on the Conduct of Parties Concerned in the South China Sea in 2002. Its unilateral effort has strained Manila’s ties with ASEAN and has left the impression that ASEAN is a paper tiger and is not willing to stand up against China. Manila’s decision to seek international arbitration did not have consensus support within ASEAN.

In a stark contrast, Vietnam, which has a long history of border disputes with China, has relied on a dual-track approach. The first priority is to work with ASEAN and engage China collectively. This will continue to be a slow and long-haul process. That helps explain why Vietnam’s diplomatic behavior has been careful and consistent, seeking to stress, discreetly but forcefully that ASEAN should have a central role in managing this regional conflict. For the one thing, Vietnam has never belittled ASEAN and its limited bargaining power. Instead, Hanoi

often credits the grouping’s collective effort, especially toughening the ASEAN joint communique over the South China Sea dispute. At the same time, Vietnam and the US have also boosted their relations in terms of security and strategic cooperation to new heights, notwithstanding their long history as adversaries.

As a member of the US-led Trans-Pacific Partnership (TPP), Vietnam has enjoyed unprecedented support from Washington, through the easing of arms supply sanctions and other goodwill gestures. Major hurdles over sensitive issues such as labor standards and human rights have been worked out to enable Vietnam to join TPP when it is ready, much to the chagrin of other ASEAN members who are also the TPP members. Both the Philippines and Thailand, the two ASEAN military allies of the US, have expressed interest in joining the TPP.

The US rebalancing strategy is undoubtedly essentially to counter the growing influence of China in the region. But it is unlikely that it will be sustainable over the longer-term due to China’s proximity, active engagement, its huge market and its multi-facet cooperation schemes. China is the biggest importer of ASEAN products, and in recent years has also become a major source of direct foreign investment. With huge infrastructure projects planned both within the ASEAN framework (known as Master Plan of ASEAN Connectivity) and China’s Belt and Road Initiatives, the potential for cooperation is enormous.

The Asian Development Bank has estimated that ASEAN needs well over US\$60 billion annually need for infrastructure projects. The quick and successful establishment of Asia Infrastructure Investment Bank early this year is a clear barometer of future China’s indispensable role in promoting economic growth in Asia and beyond. Growing economic

interdependence into the future will also promote China’s strategic values, a consideration that has been essentially absent in the region since the end of World War II. For China, this is still a work in rapid progress. Huge adjustments still have to be made to align and, hopefully, synergize the combined visions of ASEAN and China.

## **ASEAN’s dilemma**

This emerging trend constitutes a strategic dilemma for the members of ASEAN. Take Thailand as a case study. For decades, it has maintained a balanced policy towards the two super powers. Thailand is America’s oldest regional ally, and was a bulwark against the spread of communism throughout the Cold War. The fall of the Berlin Wall and an era of enemy deprivation has reduced Thailand’s strategic value to the US greatly. This has consequently pushed Thailand away from the America’s security radar. The 33-year old Cobra Gold exercise—the region’s biggest military exercise—remains the only significant manifestation of the US-Thai military alliance. In its early days, this annual exercise, which may have been spared cancellation by the Thailand’s military power seizure in May 2014, was aimed to counter the threats from communist neighbors. Now it has developed into a multinational operation involving thousands of troops from more than two-dozen countries in the Asia-Pacific including China and Myanmar.

Since the May 2014 coup, US-Thai relations have been on hold. China and other powers have moved decisively to improve their ties with Thailand. China has been the biggest beneficiary as it moves quickly to support the military administration under the leadership of Prime Minister General Prayuth Chan-ocha. Both sides have

already achieved unprecedented level of friendship and cooperation, especially in forging closer defense and security ties: a memorandum of understanding for joint military exercises has been signed and major arms deals are in the pipeline. As Thailand focuses on resolving political polarization, ensuring national reconciliation and stability, the US continues to press for the early conduct of general elections and a return to civilian rule. Washington's "take it or leave it" demand has already alienated the top echelons of the Thai military, the group that once ensured close defence cooperation with the US. Anti-US public sentiment has been on rise due to the perception that Washington is interfering in domestic affairs. Worse, frequent insulting comments from the US State Department rubs salt into the wounds, leaving the region's closest ally without an ambassador on the ground for nearly ten-months.

Clearly, Thailand will continue to serve as a conduit for China's inroads into ASEAN as well as the mainland Southeast Asia by the virtue of its geostrategic location and friendly relations. The Thai attitude towards both the US and China is being watched closely by other ASEAN colleagues. From 2012-2015, Thailand served as a coordinator of ASEAN-China relations, and earned praise for bringing progress to the ongoing process to draft a binding code of conduct for the South China Sea. Singapore will coordinate ASEAN-China relations from 2015-2018, and will face the daunting task to move the process further.

It is difficult to predict what will transpire in the near term. China understands well that strong and positive ASEAN-China ties are a prerequisite for its growing regional and international profile. Without ASEAN goodwill and trust, it would be extremely difficult for China to

proceed on its own, especially in the Asia-Pacific where there is fierce competition from the US.

Last year, Beijing proposed that ASEAN and China conclude a Treaty of Good Neighborliness, Friendship and Cooperation. This marked the first time that Beijing put forward such a collective security framework, challenging the well-established US-led strategic framework in place for nearly six decades in this part of the world. President Xi has made clear that ASEAN and China can aspire to a new type of relationship, especially on security matters—the notion that the security in Asia should be handled by Asians. With the South China Sea dispute high on the ASEAN agenda, it may be some time before any serious dialogue on this matter could be initiated. Deep down, there is still a trust deficit that must be overcome before a serious dialogue on a China-led security framework is placed on the table. Unsurprisingly, however, ASEAN has expressed its willingness to study the Chinese proposal, and for this purpose a working group will be set up and led by Indonesia. Russia, India and Indonesia have also submitted their separate proposals on collective security cooperation. These efforts demonstrate succinctly major powers' enormous interest to contribute to the emerging regional security architecture. The question is: Does ASEAN have the mettle to take up this formidable challenge?

## **Strengthening ASEAN centrality**

ASEAN needs to get its house in order and ensure that the grouping can speak in one voice on global issues, especially through ASEAN-led platforms, and in international arena. The grouping must promote ASEAN centrality in every possible way and whenever it can. At the upcoming 2015 East Asia Summit (EAS) in November in Kuala

Lumpur, ASEAN leaders need to be more pro-active in setting the agenda and shaping the outcomes of discussions among the leaders from the US, Russia, China, Japan, India, South Korea, Australia and New Zealand., ASEAN is frequently criticized for wasteful formalities and its failure to take clear positions or address serious matters directly, especially emerging crises. Last year, the issues of violent extremists and the Ebola pandemic dominated the EAS agenda. Fortunately, ASEAN leaders were resilient enough to rise to the challenge. In years to come, ASEAN will have to take opportunities to tackle cross-border issues such as irregular migrants, violent extremists and terrorism, climate change, humanitarian and disaster management.

As the date for the declaration of ASEAN Community—31 December 2015—approaches, it is imperative that ASEAN leaders display stronger leadership and the collective political will needed to accelerate further economic, political and socio-cultural integration. This will constitute the internal dimension of ASEAN centrality—the bedrock of ASEAN leadership. To succeed, the existing development gap between the new and old members—which remains a big stumbling block for a stronger community building—must be addressed with focus and urgency. Otherwise, a fully integrated and cohesive ASEAN will remain elusive. ASEAN understands full-well that in the decades to come, its main priority is to manage its relationships with the US and China, and evade becoming a hostage or pawn in their contestation for bigger spheres of influence.

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# Territorial Disputes in the South China Sea: Options for Peaceful Settlement\*

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Tensions in the South China Sea are not new. Territorial claims have been a feature for some time. While under international law, such acts have no legal validity in terms of proof of ownership—especially when they were executed long after the critical date or the date where disputes initially came into being. Despite these legalities, claimant states continue to make national territorial claims, often for domestic or subtle strategic purposes.

Escalations in the South China Sea can be traced back to the 1970s, which were closely tied to regional strategic development. Yet the latest escalation—which began in 2009—is different. As opposed to the situation some forty years ago, Southeast Asia today is characterized by a dense network of linkages that have become an important platform for regional cooperation and cohesion.

By adopting Association of Southeast Asian Nations (ASEAN) Charter in 2009, the Association has matured and morphed into rules-based organization. Since China acceded to ASEAN's Treaty of Amity and Cooperation in 2010, ASEAN-China relations have been largely positive and have developed into a much more structured engagement from the Track One to the Track Two level. Buttressing the relationship between ASEAN and China is their agreement on a Declaration of a Code of Conduct on South China Sea. While the progress may not be as fast as



China's nine-dash line claim in the South China Sea. Source: UNCLOS.

hoped by many, engagement in the process has become an important platform for countries to exchange communication.

However, the latest reclamations on at least six reefs in the South China Sea by China has been viewed by many analysts as a major escalation of the dispute. These analysts feel that this new development could dampen relations between China and ASEAN claimant states and could possibly have negative implications for the management of the dispute itself.

Furthermore, ASEAN has successfully launched and managed the East Asia Summit, wherein major global powers have

discussed strategic matters and other important regional issues at the same table with ASEAN. Indeed, there is now an ASEAN-led security dialogue in addition to US-led security dialogue in the region.

In recent decades, the socio-economic conditions of Southeast and East Asian countries have also changed enormously. Four regional countries are member of the G-20, and ASEAN's combined GDP of US\$2.3 trillion is larger than that of India or Russia. If ASEAN could agree on a status similar to the European Union, the Association could be sitting at the G-20 table. A number of economic organizations have predicted that this region will become the locomotive of global

economic growth, with many countries seeing their GDP triple or even quadruple by 2050. Such prediction in the Asian Century have rightfully attracted both jubilation and cynicism.

The threats of 40 years ago that stemmed mainly from regional wars driven by ideological differences among nations have completely gone. Today, the threats stem from climate change, pandemics, as well as the borderless war on terrorism. Organized crime syndicates have become much more sophisticated, often moving faster than states, especially with the lack of regional extradition arrangements. Countries in the region have found that they must work collaborative to address these new forms of threat.

Contrary to some who view the international rules of the game in respect of oceans as designed by and for the Western powers, the United Nations Convention on the Law of the Sea (UNCLOS) of 1982 was ratified by countries in Southeast and East Asia. This represents a global consensus that was achieved with the strong participation of developing states. UNCLOS is a major legal innovation for states like Indonesia and the Philippines, because it developed the core legal principles for archipelagic waters. The global agenda is no longer being dictated by the established global powers. Countries in our region are also playing a strong role in shaping global norms.

Furthermore, the culture of international law has started to take root in this region as seen by the signing of numerous maritime boundaries treaties, settlement of disputes by the International Court of Justice, and the relocation of many international organization to the region. In addition, the business of international arbitration is growing, not to

mention the settlement of major political disputes with external contributions, as in the case of the Aceh Peace Process.

Clearly, the strategic environment in which the tensions between South China Sea claimant states take place today is significantly different from forty years ago in virtually all respects: regional security, socio-economic development, threat spectrum, as well as the norms and rules governing state conduct at the regional and global levels. Prevailing norms and conventions along with the extensive network of political, social and economic connections between all states constitutes a natural barrier to tensions escalating into open war.

### **New major initiatives**

Recently, China launched a massive new connectivity program called the Maritime Silk Road of the 21<sup>st</sup> Century. This initiative was publicly announced in 2013 in Indonesia, the largest archipelago in the world. For such an ambitious program to succeed, China needs the collaboration and support of countries in Southeast Asia. If Southeast Asia resembled the Middle East there would be no great economic achievement in East Asia. If the Malacca Straits and Singapore were run by ISIS and pirates, double digit growth in East Asia would be unimaginable.

While on one hand major strategic changes have taken place and played an important role in restraining the tensions, particularly in the South China Sea, the deeper belief in the region is that these strategic changes should have played an even more decisive role in removing the tensions and resolving the dispute once and for all. Territorial sovereignty disputes are invariably colored with nationalism and patriotism, and are correspondingly difficult to resolve.

## **Resolution of overlapping claims in the South China Sea**

All territorial sovereignty disputes have been settled through third party adjudication or arbitration. Examples in our region include the Sipadan-Ligitan case involving Malaysia and Indonesia, and the Pedra Branca-Batu Puteh case involving Malaysia and Singapore. Third party settlement requires a voluntary mechanism whereby concerned parties enter into agreement to set the terms of references and modalities before allowing the third party to commence the legal process of settling the territorial disputes.

With five claimants countries—Brunei, China, Malaysia, the Philippines and Vietnam—holding overlapping claims to hundreds of natural features in the South China Sea, the prospect of actually settling dispute through adjudication or arbitration is very slim. However, all claimants are legally obliged to settle the dispute in peaceful manner and without resorting to the use or threat of use of force, as stipulated by Article 2 of the United Nations Charter, the ASEAN Treaty of Amity and Cooperation and the Declaration on the Code of Conduct in the South China Sea. The 1970 United Nations General Assembly Resolution 2625 on the Declaration of Friendly Relations specifically states that “no territorial acquisition resulting from the threat of use of force shall be recognized as legal”.

Since all of the claimant countries are not likely to bring their case to adjudication, they could resort to various different dispute settlement mechanisms. Article 33 of the United Nations Charter describes such mechanisms, additional to arbitration or judicial settlement, as negotiation, enquiry, mediation, conciliation, regional agencies or arrangements, or other peaceful means of their own choice.

It is difficult to imagine the settlement of territorial disputes through negotiation. Indonesia tried this approach in the Sipadan-Ligitan dispute. Both Indonesia and Malaysia were locked in endless exchanges of historical and old-map arguments. Even the idea of co-ownership found little favour. The leadership in both countries was eventually able to look to the bilateral and regional benefits beyond a settlement of the dispute and opted for adjudication by the ICJ.

Enquiry, mediation and conciliation are forms of initial steps towards a deeper negotiation with the assistance of a third party. Since Indonesia is not a claimant state in the South China Sea—the nearest disputed features are over 300 nautical miles from its territory—Indonesia is experienced at practicing neutrality.

Article 33 of the United Nations Charter also stipulated regional arrangement as means to settle disputes. For example, ASEAN's TAC includes a dispute settlement mechanism. All five claimant states are party to the TAC. However, regardless of the mechanisms available to settle territorial disputes, the most important factor will always be the political courage among claimant states to commit to settling a dispute with the involvement of a third party.

Unfortunately, although there are on-going efforts to manage the likely consequences of the territorial disputes in the South China Sea, the actual settlement of these dispute is not on the agenda of any negotiations.

## High probability of managing the disputes in the South China Sea

In 1979, China formally proposed to Japan that the two countries set aside the question of sovereignty



A MV-22B Osprey helicopter lands on the amphibious dock ship USS Green Bay LPD 20, West Philippines Sea, Philippines, 23 April 2015. Source: US Marine Corps.

over the Diaoyu/Senkaku islands and agree to jointly develop the resources adjacent to these islands. While this approach was subsequently endorsed by all the participants in the workshops conducted by Indonesia since 1990 on managing potential conflicts in the South China Sea, a number of practical difficulties proved all but insurmountable: the area or exact location of the proposed joint development; the operators of the proposed joint development; risk and profit sharing; and dispute settlement procedures. Article 6 of the 2002 ASEAN plus China declaration on the conduct of parties in the South China Sea also stipulates that cooperative activities may be undertaken pending a comprehensive and durable settlement. To date, however, not a single long-standing cooperative activity in this area has been implemented.

On the other hand, Indonesia, Malaysia and Singapore manage to cooperate closely on ensuring the smooth functioning of the Malacca/Singapore Straits even though not all of the maritime boundary and sovereignty issues between them have been settled. Similarly, in 2007, six countries, namely Indonesia,

Malaysia, Papua New Guinea, the Philippines, Timor-Leste and the Solomon Islands agreed to establish a multilateral partnership—the Coral Triangle Initiative (CTI)—to address threats to the coral reefs in their waters that account for 76 percent of the world's known coral species. Again, major sectors of the maritime boundaries between these states remain limited.

In this light, ASEAN and China could consider entering into a dialogue with the CTI and also with the three managers of the Malacca/Singapore Straits to get first-hand information and practical experience. These collaborative activities must continue to take shape with a view to be applicable to the disputes in the South China Sea.

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# The 'Boat People' Crisis: Promoting Regulation and Mitigation

Thitinan Pongsudhirak

Both the Mediterranean and Andaman Sea's have been beset with similar displacement crises over the past year. In both areas, 'irregular' migration has been driven by war, conflict and attendant civil strife, forcing those who felt persecuted and endangered to seek shelter and better livelihoods elsewhere through geographical proximity and commercially-organized people smuggling as well as all other available means of escape. Yet the apparent similarities between the two regions belie at least two fundamental differences. First, the Mediterranean migration crisis stems from intractable civil conflict and communal violence in the Middle East and North Africa with no regional framework of mitigation and regulation. Second, migrants from these violence-infested regions of deep-seated tribal tensions who seek refuge in wealthier and welfare-providing European countries face opposition from indigenous populations whose developed economies and growth prospects are expanding at a slower trend growth, with swathes of recession and fiscal austerity throughout, especially in the Eurozone countries.

To be sure, the Andaman sources of irregular migration challenges are no doubt severe and pose non-traditional security concerns and policy priorities for the adjoining states and parties involved. But the Andaman irregular migrants—otherwise known as the Rohingya 'boat people' from Myanmar's



Fishing boat carrying Rohingya and Bangladeshi migrants is pulled to shore by Achenese fisherman off the coast of Julok, Aceh, Indonesia, 20 May 2015. Source: Rohingya Blogger.

western Rakhine state and from Bangladesh itself—have been trying to enter countries where economic development is still steady and the outlook promising. A portion of the labour pool of Muslim Rohingya's and Bangladeshis from the Andaman area can thus be absorbed, in particular, by predominantly Muslim Indonesia and Malaysia. The rest, however, would have to find resettlement in third countries or be returned to their home countries. The Rohingya/Bangladeshi irregular migration challenges can also be addressed, up to a point, within the ASEAN framework. So far, ASEAN has not been effective in handling and responding to this humanitarian challenge on

the one hand and transnational crime (human smuggling) on the other. This essay aims to lay out ASEAN's limitations and dilemmas in coming to terms with the Rohingya/Bangladeshi migratory predicament. Ultimately, irregular migration in the Andaman may be intractable and can only be mitigated among origin, destination and transit countries. Prevention of persecution and migration at the source—that is, Myanmar's Rakhine state and Bangladesh—would require economic development and domestic peace and stability that ASEAN has neither the capacity nor authority to provide, or other broader frameworks.

## The Andaman 'boat people' in regional perspective

In May 2015, global news headlines were fixated with the many thousands of so-called 'boat people' who were stuck in the vast Andaman Sea straddling South and Southeast Asia engaged in a risky escape from their homelands in pursuit of jobs and better livelihoods. Taking extreme risks under squalid conditions with an uncertain fate, these waves of boat people shone the international spotlight on longstanding regional human smuggling networks along with the persecution and poverty of hapless victims in western Myanmar and Bangladesh. Tracing their origins, handling their sufferings at sea and finding longer-term solutions posed regional challenges for the countries involved and for the international community more broadly. The flight and plight of these boat people in the Andaman Sea became—and will continue to pose—a conundrum which must be overseen and mitigated by a regional framework with international backing that goes beyond any single country.

It has been established that loads of people from the areas in the vicinity of Bangladesh and western Myanmar traversed the adjacent sea-lanes in rickety fishing boats towards Thailand, Malaysia and Indonesia. Their geographic origins, ethnic makeup, destination aims and future aspirations were a matter of contention among the countries in question. Whether to call them migrants, refugees, or asylum seekers, let alone 'Rohingya', 'Bengali' or 'Bangladeshi', is similarly contentious. Yet it was unmistakable that the boat people were exploited by a hidden, illicit regional trade in labor involving physical maltreatment and abuse by avaricious and cruel middlemen, with the collusion of corrupt authorities from the countries concerned. It was

evident in view of the risks taken and hardship conditions endured that the boat people were escaping conditions of poverty and/or persecution. Moreover, the issue of the boat people became politicized at the regional, bilateral and domestic levels, while lacking international consensus for better handling. That much was agreed. The rest, however, became murky and disputed, and remains to be worked out.

Myanmar was at the centre of the controversy. It was conventionally understood that the vast majority of the boat people derive from Myanmar's Rakhine state, where they were a persecuted Muslim minority whom the country's Buddhist majority deeply detested and whom the Myanmar government refused to recognize with proper citizen and residential rights. The boat people crisis stoked old wounds of political confrontation within Myanmar between the military-dominated government and dissident groups inside and outside the country who have opposed Myanmar's reform path since August 2011. Dissident groups seized on the opportunity to pounce on Myanmar's government and the opposition alike, not sparing even the iconic Aung San Suu Kyi for not speaking up for the 'Rohingya' boat people. For most Myanmar people, however, the Rohingyas are not the problem as these are 'Bengali' denizens who should be returned to Bangladesh. Myanmar was thus lukewarm towards any regional framework to deal with the boat people because most Myanmar people, government and opposition do not recognize the Rohingyas.

If the global and local dissident groups want to deal with Myanmar's government, opposition and society more effectively, they will have to be more nuanced and respectful. The first step, as ever, is to stop calling Myanmar 'Burma' and Yangon 'Rangoon'. Grinding old axes against

the Myanmar authorities will achieve nothing for the boat people. Myanmar's reform pathway is bumpy and flawed, but still a substantial improvement on conditions and prospects in the recent past prior to 2011. Evidence from interviews of boat people who landed near Aceh in Indonesia indicated that many of them were from Bangladesh. Even Bangladeshi media openly called for its government to do a better job of eradicating extreme poverty to entice desolate Bangladeshis not to leave in the first place. At one point, even Prime Minister Sheikh Hasina publicly criticized both middlemen traffickers and the Bangladeshi immigrants for tainting the country's image. The narrative of the boat people was lopsided and more attention needed to focus on Bangladesh and what it had done and not done to provoke the exodus.

For Malaysia, the issue is as much domestic as regional. As chair of the Association of South East Asian Nations (ASEAN), Malaysia could not afford to let the crisis of the boat people, some of whose remains were discovered in mass graves on Malaysian soil, derail its regional leadership agenda and its chance to shine, especially in the launch year of the ASEAN Community. The ASEAN chairmanship was also seen as a means for Prime Minister Najib Razak's to boost his embattled domestic political position, through countering the challenges of corruption scandals and maneuvers within the ruling UMNO party of the Barisan Nasional coalition government. Success from ASEAN's regional efforts and the launch of its Community aspirations could shore up Najib's standing. This is why Malaysia was more forthcoming in allowing detention centres and camps to be set up to accommodate desperate boat people coming ashore. Moreover, Prime Minister Najib himself told a visiting delegation of regional Track Two representatives that Malaysian

industries, particularly its agricultural plantations, needed the labor the boat people could supply but that such an arrangement could not be an official policy.

Indonesia's accommodation was also conspicuous. As the largest Muslim country and an up-and-coming third largest democracy in the world, with a freshly elected president who wants to prove himself worthy at home and not to be taken lightly abroad, Indonesia could hardly turn a callous eye to the predominantly Muslim boat people from the Andaman. For Indonesia, it was about the spirit and community of Islam as much as a humanitarian imperative. Because Malaysia and Indonesia were in agreement over the boat people's sufferings in May 2015, the dire situation was alleviated and ameliorated. The management and/or resolution of this issue in the future will similarly require common purpose between Malaysia and Indonesia.

Thailand was another by-standing country with direct stakes. It is a notorious transit country that has spawned a wide variety of transnational crimes and the trafficking of migrant labor, drugs, and other illicit trades. The intersection between Thailand's status as a transnational crime haven and its diplomatic miscalculation in deporting Uighur refugees to China in July 2015 led to major terrorist incident in central Bangkok just a month later. Having provided sanctuary and succor to countless refugees from war and conflict in Indochina in the 1970s and 80s and to Myanmar's minority groups fleeing ethnic conflicts, Thailand can hardly be accused of cold and careless treatment of suffering and victimized neighbours. The boat people crisis fed into Thailand's own domestic political polarization. The more conservative and pro-coup segments of Thai society

were inclined against allowing the boat people to set foot on Thai soil, whereas the other anti-coup and pro-election side were more sympathetic. With Malaysia and Indonesia more accommodating towards the boat people, Thailand's geographical luck came into play. Its military government placed naval vessels in the sea to provide humanitarian supplies and medical and other assistance for the boat people, while delineating its position as a transit and facilitation point. Bangkok also hosted an international conference on irregular migration attended by 17 relevant governments and a handful of international organizations on 29 May 2015. Thailand's military regime used its regional role and international involvement to address the boat people crisis as a way of gaining implicit recognition from the international community.

For ASEAN, the stakes were salient and substantive. The ten-member grouping initially displayed its usual ineffectual stance towards the boat people. But once the self-interest of the ASEAN chair set in and regional peer pressure from international prodding mounted, ASEAN came round little by little toward a more responsive posture. It did not go all the way in trying to solve the boat people crisis but collective ASEAN efforts among Malaysia, Indonesia and Thailand, with discreet personal diplomacy and nuanced persuasion, sufficed to entice Myanmar to fully take part in the 29 May meeting, seeking to position solutions for the boat people issue in a regional framework. What is needed now is longer-term international backing and commitments for near-term assistance and longer-term resettlement.

The crisis of the boat people stems from a thriving but unregulated industry of people smuggling underpinned by grim realities and

entrenched hardships in Myanmar and Bangladesh and the absence of a wider governance framework. ASEAN is limited in what it can do because of its own non-interference principle and because Bangladesh is not an ASEAN member. But the May meeting in Thailand showed that regional cooperation and governance is viable if efforts and commitments were exerted in key areas, such as a concerted crackdown on human trafficking, for example. Since that meeting, not much has been done, as the Andaman boat people crisis is seasonal. There may well be another upsurge of crisis proportions in late 2015 or again in April-May 2016 unless regional pre-emptive measures are put in place. ASEAN already has a full plate. The regional organization has also been weakened by domestic political tensions and crises in key member states, such as Malaysia, Thailand, and Myanmar. This means that capacity for regional governance is extremely limited. While the ASEAN Economic Community beckons by early 2016, ASEAN's momentum is currently weak because of member states' domestic challenges. At the same time, Bangladesh is a principal state in the boat people crisis but it is not an ASEAN member. As a result, the boat people crisis is likely to be recurrent and intractable because it crosses lines of history, geography, ethnicity, and religion. It is a 21<sup>st</sup> century imbroglio that requires domestic economic development, effective regional responses, and global attention and support. Domestic shortcomings, such as those found in Bangladesh and Myanmar, that spill over into the regional domain can still be managed and mitigated to preclude unconscionable humanitarian costs.

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# CSCAP: Keeping it Alert, Agile and Relevant

Ralph Cossa and Tan Sri Rastam Mohd Isa

As a Track Two organization that counts among its 20 Member Committees—some of the most prominent think-tanks in the Asia Pacific—the Council for Security Cooperation in the Asia Pacific (CSCAP) deliberates contemporary and on-the-horizon issues of strategic concern and formulates policy recommendations for consideration by governments in the region. It does this by gathering renowned field, policy and academic experts to address issues sometimes deemed too sensitive for the governmental track. Significantly, CSCAP also involves officials who participate in their personal capacity and add an important dimension to the discussions. The organization specifically, and Track Two more generally, are therefore valued not only for their substantive prescience and confidence-building process but also for the cross-fertilization of ideas and perspectives in developing pragmatic policy recommendations.

## The value of CSCAP

Since its establishment in 1993, CSCAP has sought to align its research to be responsive to the primary challenges in the evolving strategic environment and to the needs of the ASEAN-led security institutions that play a big role in it. The ASEAN Regional Forum (ARF), in particular, has been a primary focus of CSCAP's engagement and annual ARF Chairman's Statements in recent years have singled out CSCAP's contribution to its deliberations.



ASEAN Foreign Ministers' Meeting, Kuala Lumpur, Malaysia. At this meeting, members expressed their confidence in the ASEAN Economic Community. Source: ASEAN, Facebook.

CSCAP memoranda are regularly submitted to the ARF Inter-Sessional Support Group (ISG), Inter-Sessional Meeting (ISM) and the Senior Officials Meeting (SOM). CSCAP Study Group meetings are occasionally held back-to-back with the relevant and corresponding ISG/ISM. The ARF has in fact encouraged this whenever possible to help drive the Track One process. When this happens, Study Group co-chairs typically compile a summary of key findings and present them to the ARF as their own views rather than as a consensus CSCAP document. The feed-in process to the ARF is additionally facilitated by the convenient overlap in membership of CSCAP's experts and the ARF Eminent and Expert Persons (EEP).

Besides the ARF, CSCAP has also contributed specific expertise to the Asia-Pacific Economic Cooperation (APEC) forum, such as when it produced a CSCAP memorandum on “Managing Trade of Strategic Goods”. In addition to driving the ARF's deliberations on strategic trade, Memorandum No. 14 was used and referred to in the breakout sessions of the APEC Conference on Facilitating Trade in a Secure Trading Environment in Kuala Lumpur in October 2013. Earlier, CSCAP provided a draft “Statement of Principles for Northeast Asia Cooperation” to the Six-Party Talks to help build cooperation among its participants.

CSCAP's members also participate in other Track Two processes

such as the Network of ASEAN Defence and Security Institutions (NADI), promoting an exchange in perspectives and bridging the divide between defence and security issues within Track Two. The Secretariat for NADI, for example—which supports the ASEAN Defence Ministers Meeting (ADMM) Plus process—is manned by CSCAP Singapore’s lead institution, the S. Rajaratnam School of International Studies. Similarly, experts from Malaysia’s lead institution in NADI are also members of CSCAP Malaysia. CSCAP’s engagement with other regional strategic frameworks, such as the ASEAN Defense Ministers Meeting (ADMM) Plus and the East Asia Summit (EAS), would constitute a natural trajectory for its growth and continued relevance.

CSCAP’s activities and contributions have generated interest in membership beyond the Asia-Pacific region, with informal queries received from Kazakhstan, Nepal and Pakistan as well as a formal application from an institute in Bangladesh. While it maintains an inclusive outlook on membership, CSCAP has, however, prioritized enquiries of interest from parties within the Asia-Pacific.

## **Current focus of CSCAP Study Groups**

Study Group reports and memoranda constitute CSCAP’s primary output. In 2015, there were four CSCAP Study Groups respectively concerned: with energy security; preventive diplomacy; non-proliferation and disarmament; and harmonization of aeronautical and maritime search and rescue. A fifth Study Group on maritime environment protection was approved in September 2015.

Some of these Study Groups focus on issues of continued concern amid

a changing landscape. Others seek to address policy gaps in nascent and evolving priorities such as bio-security. Some of these matters fall naturally within the purview of the ARF and its Work Plans. Others are taken up by organizations like APEC and the ADMM Plus. Although the issues addressed range across the spectrum of non-traditional and traditional security challenges, they all remain pertinent and timely in the regional context. Protection of the marine environment, for example, is mutually beneficial to all parties—even, or especially to, claimants to disputed territories—because, as the ARF recognizes, non-traditional security issues can serve as important and early building blocks for the cultivation of mutual trust, confidence and consensus in the region.

## **Enhancing the value of CSCAP and Track Two**

While the ARF has been receptive to and indeed, welcoming of, improved ties with CSCAP, several procedural measures would enhance its substantive engagement. First, the provision of ample advanced notice by the ARF of ISG/ISM meetings would enable CSCAP to plan and convene back-to-back meetings more efficiently. This would help CSCAP facilitate more focused meeting agendas for the benefit of the ARF and promote greater personal interaction between Tracks One and Two on specific issues.

Second, CSCAP-ARF relations might be raised to the next level through regularized briefings by the CSCAP Co-Chairs to ARF senior officials or even to ARF leaders. This would narrow the policy gap between Tracks One and Two, without adding to the bureaucratic layers of the former while directly conveying to leaders the candor underpinning

Track Two discussions and its consequent recommendations. This might provide especially valuable background information for governments faced with seemingly intractable issues. Direct engagement between ARF and CSCAP experts would also bring the ASEAN-led framework in line with ASEAN’s pledge to be a more people-centered organization.

Third, CSCAP’s relevance and role as a sounding-board for Track One in regional security matters would be strengthened by greater substantive feedback from the ARF. Over the years, CSCAP has produced no less than 27 memoranda on various security challenges confronting the Asia-Pacific. The extent of the ARF’s acceptance of CSCAP recommendations varies with the agenda of the Chair or Co-Chairs of the ARF ISG, ISM or SOM. It also depends on the level of relations between CSCAP Member Committees and their respective governments. It must still be pointed out, however, that with the exception of issue-areas like confidence-building measures and preventive diplomacy, CSCAP’s work and publications have achieved only modest visibility in ARF statements or summary reports. As there are currently no mechanisms to evaluate the usefulness of CSCAP memoranda presented to the ARF and absent detailed comments from Track One on the recommendations produced thus far, CSCAP is unable to fully evaluate the value and impact of its work.

ARF feedback on Track Two’s work would also be useful to CSCAP’s own assessments of the Study Group program. It would enable CSCAP as a whole to make more informed assessments on whether to form new Study Groups or extend the tenure of existing ones. Since Study Groups require the financial and manpower commitment of

CSCAP Member Committees, it is important that the process does not end up eclipsing the outcome and that Study Groups avoid replicating Track One discussions. Where appropriate, CSCAP should instead identify other emerging issues to form the basis of future Study Groups and to raise consciousness among Track One officials. CSCAP could return to existing areas prioritized by Track One if developments suggested that it would be fruitful to do so.

CSCAP's engagement with ASEAN-led security institutions should also be complemented by greater public outreach as many people still remain unaware of the work done by CSCAP. The cultivation of closer relations with domestic stakeholders within each Member Committee—government, business, academia, media, and civil society—is crucial for this purpose and for added buy-in to the Track Two process. Where appropriate, CSCAP could also act as a conduit for other stakeholders and non-governmental organizations to contribute to the Track One process.

Perhaps what CSCAP must, but has yet to sufficiently consider, is that in order to engage a wider (and younger) audience and publicize its analyses more extensively, CSCAP must make the technological leap and connect digitally, including via social media applications. Hard-copy memoranda may still have a place in certain distribution circles but CSCAP publications should also be available on Member Committee websites and mobile-enabled for smartphone access. Just as CSCAP responds to the flux of the geopolitical regional environment, so too must it adapt its own communication modes to match the increasingly wired Asia-Pacific region.

We believe that CSCAP has made, and continues to make, a significant

contribution to the security policy debate in the Asia-Pacific. We look forward to a continued close association with the ARF, even as we seek to deepen our involvement with the ADMM Plus, EAS and other regional organizations.

*Ralph Cossa*  
*Council for Security Cooperation in the Asia Pacific, United States.*

*Tan Sri Rastam Mohd Isa*  
*Council for Security Cooperation in the Asia Pacific, United States.*

*CSCAP Co -Chairs*

## CSCAP STUDY GROUPS

Study Groups are CSCAP's primary mechanism to generate analysis and policy recommendations for consideration by governments. These groups serve as fora for consensus building and problem solving and to address sensitive issues and problems ahead of their consideration in official processes. Recently launched study groups:

- Non-proliferation and disarmament
- Energy security
- Preventive diplomacy
- Harmonising air and sea SAR

Recently concluded study groups:

- Regional Security Architecture
- Countering the Proliferation of Weapons of Mass Destruction in the Asia Pacific
- Principle of Good Order at Sea
- Preventive Diplomacy

## CSCAP MEMBER COMMITTEES

CSCAP membership includes almost all of the major countries of the Asia Pacific and also includes the European Union:

Australia  
Brunei  
Cambodia  
Canada  
China  
European Union  
India  
Indonesia  
Japan  
Democratic Peoples Republic of Korea  
Republic of Korea  
Malaysia  
Mongolia  
New Zealand  
The Philippines  
Russia  
Singapore  
Thailand  
United States of America  
Vietnam

Pacific Islands Forum Secretariat (Associate Member)

## CSCAP PUBLICATIONS

### ***CRSO Regional Security Outlook (CRSO)***

The CRSO is an annual publication to highlight regional security issues and to promote and inform policy-relevant outputs as to how Track One (official) and Track Two (non official) actors can, jointly or separately, advance regional multilateral solutions to these issues.

### ***CSCAP Memoranda***

CSCAP Memoranda are the outcome of the work of Study Groups approved by the Steering Committee and submitted for consideration at the Track One level.

### ***CSCAP General Conference Reports***

Since 1997, the biennial CSCAP General Conference, is designed to be an international forum where high ranking officials and security experts from the Asia Pacific region meet every two years to discuss security issues of relevance and to seek new ideas in response to evolving developments in Asia Pacific security. The forum is usually attended by approximately 250 participants; making it one of the largest gatherings of its kind.

Through its publications, CSCAP's recommendations have been well received by the ARF.



**CSCAP**  
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SECURITY COOPERATION  
IN THE ASIA PACIFIC