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**“THE GLOBAL STRATEGIC BALANCE AND
COMPETITION AMONG THE MAJOR POWERS IN EAST
ASIA: IMPLICATIONS AND RESPONSES”**

The Global Strategic Balance and Competition Among the
Major Powers in East Asia

by

Dato' Seri Mohamed Jawhar Hassan
Chairman and CEO
Institute of Strategic and International Studies (ISIS)
Malaysia

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THE GLOBAL STRATEGIC BALANCE AND COMPETITION AMONG THE MAJOR POWERS IN EAST ASIA

Mohamed Jawhar Hassan

Gross global strategic imbalance

Let me begin by first pointing out an obvious fact, but which some would say is heresy: there is no global strategic balance. Since the end of the Cold War there has been extreme strategic imbalance. There is only one superpower, and this imbalance is further extended by a global system of alliances which empowers the alliance members as well. The most economically and technologically advanced countries, as well as the best endowed militarily, are in this alliance. The United States, NATO countries, Japan, ROK and Australia spend a combined US\$950 on their militaries, equalling 70% of the world total¹. So what we are discussing this afternoon is really competition among major powers in the midst of a severe global imbalance. Incidentally, I have no problems with a skewed balance of power provided it does not threaten the legitimate interests and security of countries.

Major power competition amidst global strategic imbalance

The major power competition and rivalry that is taking place now is being triggered by the rise of China followed by India and a resurgent Russia. China is now the world's fourth largest economy after the US, Japan and Germany, according to the World Bank' It could become the largest economy in real terms by 2020. India could become the world's fifth largest economy in ten years according to Goldman Sachs, and even become second largest after China by the middle of the century. Russia is currently prospering from high oil and gas prices.

¹ Center for Arms Control and Non-Proliferation, 5 February 2007.

The present major power competition differs in some respects from the competition after the Second World War. Major power competition during the Cold War was heavily conditioned by ideological and military confrontation and involved essentially two hostile blocs, the Western and the Soviet. The present competition is more diffused and multi-pronged.

First, competition at present is essentially over strategic profile and influence on the one hand and resources on the other, especially energy resources. China especially has raised its economic and strategic profile substantially in Southeast Asia, Central Asia, Africa and South America. There is a degree of ideological conflict between the US and China especially, but it is not as intense as before. There is wariness about military capabilities, but no overt military conflict through proxies.

Second, for the present at least, it is based more on countries acting individually rather than as a coalition. China, Japan, the United States, Russia and India are essentially driven by their own national interests and vying with one another generally on their own. India for instance, has built up its strategic ties with the United States since economic liberalisation in 1991 and is gravitating closer to the US in forging security links, but it has continued to maintain close relations with Russia, both as a balance as well as because it continues to rely on Russia for spare parts for its military equipment, which are 70% of Soviet origin. Similarly Japan is essentially forging its own policies towards Southeast Asia in response to the increase of the Chinese role and influence in the area.

Third, although the major powers compete with each other in varying degrees of intensity, they also work together and cooperate in various regional forums such as the ASEAN Regional Forum (ARF), the ASEAN Plus Three (APT) process, the East Asia Summit (EAS) and the Asia Pacific Economic Cooperation (APEC). There is therefore both a degree of competition as well as cooperation.

Increasing prominence of security competition

Though competition at present is mainly over strategic profile/influence and resources, the security dimension is becoming more pronounced. China has been increasing its military expenditure and capacity rapidly as a consequence of the several factors, namely: to prevent Chinese Taipei from declaring independence; greater affluence and resource availability; and substantial military inadequacies and weaknesses relative to its size² and defence needs and compared to other military powers like the US and Russia (inadequacies it became even more concerned about following the invasion of Iraq in 2003). Chinese military expenditure in 2006 is estimated at US\$122 billion³.

China's growing military capability has raised concerns in Washington⁴ and Tokyo especially. Both demand greater transparency and question Beijing's need to expand its submarine and open sea naval capability. The US has also prevailed on EU countries to not sell sophisticated weaponry to China.

The security dimension of major power competition has become further emphasised by moves among Japan, US, Australia and India to enhance security cooperation bilaterally as well as collectively among themselves. These moves, while routinely explained as not directed at China and assuredly having other objectives as well, are clearly being made with China in mind. The grouping, by referring to itself as a grouping of democracies that share the same values, automatically excludes China and lends more substance to the notion of "containment".

A somewhat similar phenomenon is occurring on the other side of the Asian landmass and in Europe. After tolerating the expansion of NATO for some time, a resurgent Russia is cultivating an increasingly anti-US stance in the face of US

² 9.6 million square kilometers of territory, 1.3 billion population, 22,000km land boundary and 18,000km marine boundary.

³ Center for Arms Control and Non-Proliferation.

⁴ Annual Report to Congress on "Military Power of the People's republic of China 2007" by the Office of the Secretary of Defense.

plans to deploy elements of its missile defence system in Poland and the Czech Republic, and has suspended its participation in the Conventional Forces in Europe Treaty. US criticism of political freedom and human rights in Putin's Russia is adding further irritation to bilateral ties.

Major power rivalry in regional cooperation processes

Major power rivalry is also creeping into and contaminating regional processes for cooperation in the Asia Pacific. Some participants of the EAS who are also members of the APT process see the EAS as a vehicle to balance and dilute what they see as Chinese domination in the APT, and are therefore attempting to undermine the APT's role as the primary instrument for East Asian cooperation and community building. Indeed, the very emergence of the EAS as a parallel and wider process to the APT instead of an evolution of the same APT process is a consequence of suspicion and rivalry among some of the participants.

Implications

The present competition is having both positive and negative implications. The positive implications include the following:

1. The region and the world gain substantially from concrete constructive initiatives taken by competing powers to shore up their strategic image and influence. The countries that are wooed by the competing powers derive various benefits. These include development assistance, infrastructure development, poverty alleviation, investment and military aid. East Asia as a whole, some of the CLMV countries and countries in Africa are in this favourable position now. This assistance can be critical for their survival and well-being.
2. Countries that are being justly or unjustly isolated and coerced by a dominant power through sanctions and other means have an alternative. Examples are Myanmar, North Korea, Iran and Sudan. This alternative can literally mean escape from total collapse which may not be in everybody's interest.

3. Countries that are being penalised for alleged human rights violations by being denied arms purchases, or countries that are discriminated in the purchase of latest technology arms which are made readily available to rivals and foes but not to them, have an alternative. In December last year for instance, Indonesia signed a military cooperation agreement with Russia that it explicitly said helped it reduce its traditional dependence upon the US which had imposed embargoes on it in 1991 and 1999.

There are however strong causes for concern as well in the unfolding competition among the major powers. Among these are the following:

1. A strong mix of emotion and prejudice in many quarters, combined with deliberate fudging to suit vested interests, that makes rational analysis of the problems and challenges difficult. Much of this centres on the China "threat" on the one hand and a Japanese "threat" if it became a "normal" state on the other. This emotional and irrational mix is driving some of the sentiment, discourse and responses that are taking place.
2. There is a great danger of an arms race in earnest developing in the region and in Europe as rapid increases in military expenditure in China, substantial increases in India and deployment of missile shields in Europe and Asia create feelings of insecurity and trigger increases in arms acquisitions in Chinese Taipei, Japan and elsewhere. Already on May 30th Putin warned of the starting of a new arms race after test-firing two new missiles earlier in the week.
3. Coalition building has begun in earnest in Asia. For the present it is a coalition against China involving the US, Japan, Australia and India. If current trends continue it is not unlikely that Russia and China will form a coalition in response, and a new cold war begins driven by hawks and extremists on both sides. This would deliver a mortal blow to the momentum of cooperation for peace and prosperity that has been built up in the region in the last two to three decades.

4. Regional processes for cooperation painstakingly put in place over decades are being distracted and undermined by the competition.

Responses

It would be good at the outset to recognise competition among countries as a fact of life. The major powers like the others *will* compete. It is also difficult to deny competition, because competition is a legitimate and respected exercise of choice. The goal should be to ensure as far as possible that the competition benefits rather than undermines peace and prosperity in the region and beyond.

Among the initiatives that could be considered in this regard would be the following:

1. Demystify and clarify the major issues, so that with greater clarity there could be greater understanding and less manipulation of the issues. The perceived China threat is driving many of the security responses in the region. It is for instance, the justification for strengthening existing alliance and widening them. It would be good therefore, to scrutinise what really is the China threat. Who is China threatening? Which country does China intend to invade? Are China's existing defence capabilities adequate for its needs? How do they compare with those of other major powers? Why cannot China have a blue water navy and corresponding air capability like so many other countries? What is it about China that needs to be "balanced"? How is China dominating the APT? Why cannot Japan be a "normal" state, which is its sovereign right? What would be the adverse consequences if it became one? Who would Japan threaten? Why?
2. Launch a concerted drive to cement rapprochement in Northeast Asia: build on the improved atmosphere following the exchange of visits between Prime Minister Shinzo Abe and Prime Minister Wen Jiaobao and attempt a historic reconciliation between Japan and its neighbours that buries history and initiates a new dawn of close friendship and

cooperation. This will require strong and reciprocal political will; confronting history and exorcising it; intense exchange of visits and dialogues at all levels; establishing more bilateral and regional forums for dialogue and cooperation; joint military exercises; cooperation in non-military security areas such as health and transnational crime; etc.

3. Defuse tensions over disputed territory by entering into joint cooperation schemes for developing resources in the disputed maritime areas. Disputes over territory are often the biggest irritants in relations. They evoke the most hostile emotions and are the flashpoint for violent conflict.
4. Encourage China to articulate its defence policy and explain its military expenditure more comprehensively.
5. Ensure that Chinese Taipei continues to moderate its stance on the independence issue and does not provoke China.
6. Cease initiatives to strengthen bilateral defence alliances and develop security arrangements that can be perceived as building coalitions against each other. Abort in particular moves to establish a defence arrangement involving "democracies" that is unnecessary, provocative and destabilising. There is a great need to "demilitarise" strategic thinking, which is so ingrained in some among the major powers; such thinking and responses often serve only to aggravate rather than improve the situation. Competition should instead be built around the elements of "soft" power – friendly diplomacy, economic cooperation, development assistance and the appeal of culture.
7. Further develop and fully utilise processes for regional cooperation that blunt the edge of major power rivalry and stimulate goodwill and collective action among the major powers – ARF, APT, EAS, APEC, etc..