THE THREE MOST COMPELLING FUTURE CHALLENGES CONFRONTING THE ASIA PACIFIC REGION:

A DISCOURSE ACROSS GENERATIONS

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The evolving strategic environment in the Asia-Pacific region presents an array of challenges in the region. I would like to discuss what I consider to be the three most compelling future security challenges confronting us in the region and in the world of the 21st century.

1) Meet the "Af-Pak" challenge

I concur with the assessment of General David Petraeus, currently Commander of the U.S. Central Command, who testified in the U.S. Congress that the most serious threats to the United States and its allies lie at the nexus of transnational extremists, hostile states, and weapons of mass destruction. The acquisition of nuclear weapons by international terrorists and rogue states would constitute the most serious threat to the region and the world of the $21^{\rm st}$ century.

Al Qaeda and its extremist allies are operating most ominously and actively in an increasingly unstable Pakistan which is armed with approximately 100 nuclear

weapons. The United States, along with the international community, have so far failed to build good governance in Afghanistan and Pakistan, failed to secure the Afghan people, failed to deal with the Pakistan's FATA (Federally Administered Tribal Areas), and failed to defeat al Qaeda and its extremist allies. Indeed, the situation in Afghanistan and Pakistan appears to be deteriorating day by day.

The challenge for us is to develop a comprehensive, viable and long-term strategy addressing not only security but also governance, economic and social development, reconciliation and capacity-building in Afghanistan and Pakistan as well. The "Af-Pak" challenge would test not only the US leadership role, but also the US allies' roles including NATO, Australia and Japan. It is a global security problem and therefore requires a global response.

Japan has pledged assistance of a total of US \$ 2 billions and has implemented US \$ 1.46 billions in such various fields such as humanitarian assistance, political process, security, human resource development, economic infrastructure, and so on. Japan took the initiative of hosting the International Conference on Reconstruction Assistance to Afghanistan (Tokyo Conference) in January 2002, which marked the beginning of reconstruction process of Afghanistan.

Currently, 140 Japanese civilians including Japan International Cooperation

Agency (JICA) experts and Embassy staff work in Afghanistan. Tokyo will strengthen assistance through human resources by dispatching a civilian assistance team to a Provisional Reconstruction Team (PRT) from spring 2009. Japan continues refueling activities in the Indian Ocean in support of international operations in Afghanistan, and support for DDR (Disarmament Demobilization and Reintegration) program and DIAG (Disbandment of Illegal Armed Groups). The government of Japan has announced that it will pay the salaries of all 80,000 members of the Afghanistan's police force for 6 months; Tokyo will also fund construction of more than 500 schools, training of 10,000 teachers, construction of hospitals, building of 650-kilometer roads, building of the terminal at the Kabul International Airport.

As for Pakistan, Tokyo has been providing economic and other forms of assistance for many years. In April 2009, Japan, together with the World Bank, sponsored an international donors conference pledging more than \$5 billion over the next two years. Tokyo announced that it will extend US\$1 billion in assistance.

The government of Japan, especially a new government that will be formed after the elections this year, will likely explore the possibility of dispatching the Self-Defense Force (SDF) to Afghanistan, but this will require informed public debate and strong political leadership.

Meet the North Korean nuclear and missile challenge

A nuclear-armed North Korea or the Korean peninsula armed with nuclear weapons and ballistic missiles would pose direct military threats to Japan and the region It would seriously destabilize the regional balance of power, possibly sparking an arms race in the region. It would also test the validity of multilateral diplomacy centering on the Six-party Talks, and the credibility of the US-Japan alliance. The current situation may not constitute a crisis yet, but no doubt that the Japanese people feel increasingly insecure in the face of a belligerent Pyongyang that appears to be determined to accelerate nuclear and ballistic missile program. There seems to be a perception gap between Japan and the United States regarding the North Korean nuclear threat. As Secretary Gates said in the Shangri-La Dialogue that North Korean nuclear program does not represent a direct military threat to the United States at this point. It is not an exaggeration in my view to say that Pyongyang's nuclear weapons program, its missile program and its extremely provocative behavior pose a direct military threat to Japan and the retion.

In the face of the growing North Korean nuclear and missile threat, Japan would feel compelled to do three things. First, Japan would strengthen its own conventional deterrent capabilities, including its missile defense system. Second, Japan would strengthen its alliance with the United States so that extended deterrence offered by the United States would remain credible. Third, Japan would intensify its diplomatic efforts to build up international pressure on North Korea, while expanding its strategic relations with Australia, India, ASEAN countries, the EU, China and Russia.

In this respect, let me make some observations about Japan's nuclear option. As we all know, Japan is the only country in the world that suffered the consequence of the nuclear bombing. The Japanese people experienced at first hand the horrors of the nuclear explosion and hence Japan is firmly committed to promote nuclear non-proliferation and nuclear disarmament. It is true that Japan does have the technical means, including sophisticated rockets for its space program, and nuclear material such as plutonium that would enable Japan to become a nuclear weapons state if it desires. But the government of Japan is politically determined not to go nuclear. It is also true that, given the real prospect for a nuclear North Korea, there have been voices in Japan calling for revision of Japan's strategic posture vis-à-vis nuclear weapons. In my view, Japan's nuclear option cannot be in the interest of Japan because it would create tremendous uncertainty and instability in the region, seriously undermine the non-proliferation regime, and possibly cause a rupture in the US-Japan alliance, which has been the foundation of peace and stability in the Asia-Pacific region for the last 60

years.

I would argue that the North Korean nuclear and missile threat can be and should be met best by intensified diplomacy, including more proactive, forcible and effective Chinese and Russian efforts in strengthening sanctions on Pyongyang, conventional deterrent capabilities of the USA, Japan and the ROK, and importantly, continued extended deterrence offered by the United States.

I think the time has come for the international community to stop treating North Korea like a spoiled child, because Pyongyang appears to have strategic goals: it is aiming not just at the survival of its regime but also at re-unification of the Korean peninsula on Pyongyang's terms; and in this endeavor, they believe they would need nuclear weapons and intercontinental ballistic missiles that would deter US intervention. The Six-party Talks has its merits, but it has so far failed to deliver a desired outcome. Before it gets too late, we should be able to develop a truly viable strategy toward North Korea.

3) Meet the greatest uncertainty about China's future

The emergence of China as a global actor presents an inevitable long-term challenge for policymakers in the region, given the ongoing power shift driven by China's growing comprehensive national power and influence not just in the region but in the

world at large, including Africa. Shaping China's strategic decisions and policies would be critical if a new security order in the region is to be open, safe and stable.

The Chinese people themselves will determine their own future, yet the international community, especially major powers in the region, would be able to help shape China's strategic decisions and policies. We would welcome China as a responsible major power that plays a key role in maintaining a stable, peaceful security order in the region. We also expect China to play a global role in tackling a host of global issues, including the economic and financial crisis, climate change and non-traditional security issues.

To meet the long-term China challenge, we would need both engagement and "hedging" strategies. It would be essential for the countries in the region to engage China in strategic dialogue, confidence building measures, joint disaster relief and exercises and international humanitarian activities energy & maritime security.

Yet it would also be prudent for the countries in the region to hedge against a China that might aim to dominate in the region not just economically but also politically and militarily, thus challenging the time-honored regional security order underpinned by US strategic primacy. The defense white paper recently released by Australia put it: "China by 2030 will become a major driver of economic activity both in the region and globally,

and will have strategic influence beyond East Asia. By some measures, China has the potential to overtake the United States as the world's largest economy around 2020. ... China will also be the strongest Asian military power, by a considerable margin. Its military modernisation will be increasingly characterised by the development of power projection capabilities. A major power of China's stature can be expected to develop a globally significant military capability befitting its size. But the pace, scope and structure of China's military modernisation have the potential to give its neighbours cause for concern if not carefully explained, and if China does not reach out to others to build confidence regarding its military plans. "

Japan too is increasingly concerned about China's increases in defense spending, its rapid build-up of air power and submarine capability, anti-satellite capability and nuclear forces. One could argue nevertheless that China's military modernization is nothing but a defense response to more formidable US forces in Asia and the Pacific. Notwithstanding, more explanation and clarification about China's long-term strategic posture and objectives would be required.

I would argue further that both engagement and hedging would be insufficient to meet the China challenge. It would be crucial to strategically and proactively co-opt China in architecture building in the region. One attractive policy idea in this regard

that has been looming large on Japan's policy agenda, and was already addressed in this conference, is the idea of a U.S.-Japan-China trilateral security architecture which perhaps can be defined as a carefully designed trilateral framework for comprehensive strategic dialogues and consultations among the U.S., Japan and China at the official level on wide-ranging security issues encompassing terrorism, the proliferation of Weapons of Mass Destruction (WMD), protection of sea lanes, international peace-keeping, and a host of "human security issues," including climate change, the avian flue epidemic and natural disasters. A U.S.-Japan-China trilateral security architecture could also involve trilateral mechanisms for cooperation in the fields of intelligence exchanges, defense exchanges, and military training and exercises. In times of international crises, there would be hot-line channels of communication among the defense establishments of the U.S., Japan and China so that they could exchange intelligence information and coordinate policy measures in timely and effective ways. A robust U.S.-Japan alliance, a harmonious U.S.-Japan-China partnership, and an emerging East Asian community would be essential ingredients of peace and stability in the Asia-Pacific region of the 21st century.

Statement of General David H. Petraeus, Commander, U.S. Central Command, Before the House Armed Services Committee on the Afghanistan-Pakistan Strategic Review and the Posture of U.S. Central Command, April 2, 2009, page 7.

Statement by Foreign Minister Hirofumi Nakasone at the opening session of the Pakistan Donors Conference, April 17, 2009.

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