Asia's future strategic environment

BY SHAHRIMAN LOCKMAN

The past few decades have been a period of relative calm in Asia's strategic environment. Malaysia has certainly been one of the prime beneficiaries of these propitious circumstances, which have allowed our economy to grow and our living standards to improve beyond the imagination of previous generations. But we are now witnessing momentous changes in Asia's strategic environment, ones that make it increasingly crucial for us to examine how the major powers — particularly China and the US — relate to each other.

The implications of Asia's transformation will not be fully apparent for at least another 20 years. Still, we cannot afford to wait until that happens. We need to make informed projections on how Asia will look like in the coming decades.

Trying to predict what the future holds is always a tricky exercise. Someone in the early 1990s, for instance, would probably have been wide off the mark if he or she tried to peer into what subsequent decades might look like. Consider how the Asian financial crisis of the late 1990s or the Sept 11, 2001, attacks on the US altered the course of events in previously unanticipated ways.

In making long-term projections, we always run the risk of getting things wrong. But we do not need to aim for pinpoint accuracy. What is required instead is a broad assessment of the forces that are likely to shape the future strategic environment.

Why look at power shifts?

Among the many challenges to Asia's security and stability over the long term, perhaps the most profound are the ongoing shifts in the regional balance of power, most noticeably manifested by the rise of China. To some, that might seem like an obvious claim to make, but others argue that the emphasis should lie elsewhere.

Terrorism, human trafficking and the implications of climate change and natural disasters, among others, are increasingly seen as security issues that matter the most for the region. For those preoccupied with these issues, focusing on interstate relations and the implications of shifting power balances might appear a little outmoded, a product of 20th-century thinking.

Nothing, however, could be further from the truth. To write off the security implications of Asia's changing strategic environment would be incredibly short-sighted. The fact remains that states continue to retain, acquire and build immense capacities to use military force. Since 2000, world military spending has risen by a staggering 49%, a growth that has defied the global financial crisis.

Governments have occasionally justified the additional spending in terms of acquiring the means to counter the threat posed by terrorists. But a closer look, particularly in the Asian region, reveals something quite different. There are growing signs that the rise in defence spending is being driven by competitive build-ups between some of the region's militaries. This appears to be especially the case in Northeast Asia, where there has been a rapid acquisition of naval capabilities.

How do we explain this build-up of military power in Asia? The answer is that the region is being transformed in ways that heighten the risk of an intense strategic competition between its major powers. If that competition becomes hostile, the middle and small powers of the region will find it difficult to stay out of the way. Instead, they will be compelled to choose sides.

The implications of such schisms are immense, threatening to erode the enormous gains made in regional cooperation and economic integration since the end of the Cold War. Clearly, this is not just about one country — developments within a region's strategic environment are rarely so simple. But it is possible to identify the primary catalyst for this transformation of the region. And that is the rise of China.

For the most part, China's involvement in regional strategic and diplomatic affairs has been viewed in positive terms. Since the early 1990s, China's regional profile has been altered beyond recognition. If China had previously been suspicious of multilateralism, it began to participate in regional organisations with the enthusiasm of a recent convert.

Its decision not to revalue the renminbi during the 1997 Asian financial crisis was seen as an act of incredible selflessness, winning it considerable goodwill among its Asian neighbours. Within the next 10 years, China was said to have mounted a successful "charm offensive". It seemed to have allayed the worst fears about its rise as a major power.

But troubling signs have emerged in recent years, as China appears to have become increasingly assertive in pursuing its interests. This was clearly displayed in its response to Japan's detention of a Chinese fisherman found in waters close to the Senkaku Islands in September 2010.

Beijing's actions, such as the suspension of high-level bilateral contacts, were widely seen as hugely disproportionate and a possible indicator of how China could behave in future disputes. But the region's future depends not only on how Beijing uses its growing strengths, but also on the way the US and the rest of the region respond to China's rise.

China and the US

The greatest uncertainty lies in the interaction between China and the US. Ever since the Sino-US rapprochement in 1972, America's dominance in Asia has been uncontested. For almost 40 years, US primacy has been instrumental in preventing an armed conflict between the major powers of the region. By forestalling the risk of a strategic competition between China and Japan, it has generated the stability that has underpinned the region's economic growth.

The Association of Southeast Asian Nations (Asean) would have found it a lot more difficult to promote cooperation in Asia amid an intense rivalry between Beijing and Tokyo. But the rise of China means that

CONTINUES ON PAGE 70

US, China must treat each other as equal stakeholders in Asia's stability

FROM PAGE 67

US primacy can no longer be taken for granted. If mishandled, the Sino-US relationship could begin to take the form of a constant action-reaction cycle, where China starts contesting US primacy in Asia, and the US pushes back. An escalation of such dynamics would raise the chances of a major conflict.

There is, of course, no way to accurately predict how China's decision-makers will use its growing strengths in the future. What we are left with is to look at whether China will have the capacity to carry out a challenge to US regional primacy. Chinese scholars have often sought to dismiss such a prospect by arguing that, even if China's power continues to grow, it would still lag behind the other major powers.

According to this view, China's rise would be greatly hobbled by its huge population of over 1.3 billion; so even if it were to overtake the US as the largest economy in the world, it would still be small in per capita terms. Furthermore, China's military power would struggle to match that of the US. After all, China spends only a fraction of what the US does on its armed forces. To use estimates by the Stockholm International Peace Research Institute (SIPRI), China's military expenditure in 2010 was about US$114 billion (RM344 million), about 17% of the US$687 billion spent by the US.

But China does not need to match the military power of the US in order to challenge it in Asia. Far from concentrating its forces in this region, the US has its military power spread throughout the world. China only needs a specialised range of capabilities, concentrated on potential scenarios in the western Pacific, in order to contest US regional primacy. And it appears close to being able to do just that.

For instance, a recent assessment by the RAND Corporation suggests that the People's Liberation Army Air Force (PLAAF) could pose a serious challenge to the US Air Force (USAF) in the event of a conflict over Taiwan. It states that: "[E]ven today, the emerging capabilities of the PLAAF are such that, combined with the geographic and other advantages China would enjoy in the most likely conflict scenario — a war over Taiwan — the USAF could find itself challenged in its ability to achieve air dominance over its adversary, a prospect that the USAF has not had to seriously consider for nearly two decades."

Keeping Asia secure

China and the US have obvious reasons to ensure that their relationship remains stable, not least because both countries have nuclear weapons. Provided that neither side believes that its nuclear forces are vulnerable to a first strike, a measure of stability will be built into the relationship. But that is hardly a source of relief.

As long as there remains the potential for an intense strategic competition between the US and China, we will continue to see a build-up of military power in Asia. Even if one argues that the possibility of armed conflict is low, a major power rivalry with an intensity that goes beyond a certain threshold could be enough to cause divisions within the region.

As long as there remains the potential for an intense strategic competition between the US and China, we will continue to see a build-up of military power in Asia. Even if one argues that the possibility of armed conflict is low, a major power rivalry with an intensity that goes beyond a certain threshold could be enough to cause divisions within the region. So what can be done to prevent that from happening?

A lot will depend on choices made in Washington and Beijing. But that does not mean that the rest of the region is consigned to the role of passive observers. Asean has certainly taken the lead in efforts to moderate competitive relations between Asia's major powers, most notably through the East Asia Summit (EAS), which brings together the organisation's 10 member states plus Australia, China, India, Japan, South Korea and New Zealand.

The participation of the presidents of the US and Russia, which begins with the Sixth EAS in Jakarta in October 2011, represents an opportunity to promote a virtuous cycle of cooperation across the broader region.

But multilateral summits can equally serve to deepen tensions rather than alleviate them if countries are intent on outdoing their perceived competitors. Little would come out of the EAS if the major powers, particularly the US and China, decide to play out their rivalries in Jakarta.

It is therefore in Malaysia's interests, as well as those of our Southeast Asian neighbours, to actively engage both countries and underscore that their rivalry serves few interests. Ultimately, the future of the region rests of the ability of the US and China to start treating each other as equal stakeholders in Asia's stability. E

Shahriman Lockman is an analyst at the Institute of Strategic and International Studies (ISIS) Malaysia. The views expressed here are his own.