

## and the Asia-Pacific Region

By WILLIAM T. PENDLEY

hange is a word heard so often that it has lost its impact. Most of the attention to change in Asia has been focused on dynamic economic growth. It would be almost impossible to miss a shift as dramatic as that in the global economic axis reaching from the Atlantic to the Pacific basin. The world's highest growth

Japan is grappling with a fundamental identity crisis that it avoided facing in the Cold War rates are in Asia and huge markets are opening throughout the region. One must aggregate the member nations of the European Union to equate Europe with Japan or, increasingly, with greater China which includes both Taiwan and Hong Kong.

No single nation in Europe, not even a reunitied Germany, comes close. To Japan and greater China must be added South Korea and member states of the Association of Southeast Asian Nations (ASEAN) which have a growing regional economy with more than 300 million people. If the region is expanded to include South Asia, India is added with almost a billion people and a growing middle class.

Centers of international power and leadership have historically been aligned with the global economic axis. In the age of Greece and Rome that axis centered on the Mediterranean. In the age of European colonial dominance and the rise of America, it moved to the Atlantic. At some point in the late 1980s and without fanfare, the GNP of the Asia-Pacific region exceeded that of Europe. With Japan and America accounting for more than 40 percent of world GNP, the axis shifted again. But economic change is only part of the dynamic. It could be overemphasized while more significant strategic changes are ignored.

Japan is grappling with a fundamental identity crisis that it avoided facing in the Cold War. Can it find an international identity through a global economic leadership role while still tying its political and security

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Form Approved OMB No. 0704-0188 interests to those of the United States? Will it instead seek that international identity in closer relations within Asia?

Regardless of the road Japan takes, its close and largely subordinate relationship with the United States will change. The growing value of global and Asian markets will lessen the relative importance of America to Japan. The protracted conflict and competition in U.S.-Japan economic relations will push Japan in other directions. Technological progress will allow Japan to choose advanced military technologies sufficient to provide for its defense. While Japan's reorientation may be slowed by stumbling efforts at reform and more effective government, it will still evolve into a more independent state. This change has vital strategic implications for the United States.

It is fashionable to focus on China's economic development and uncertain political future. This has resulted in extreme projections on both counts. China's economic growth potential has been overestimated in straight line projections similar to Japan before its economic bubble burst. Some cite growing inflation and an overheated Chinese economy as well as the sluggish transition from state enterprises to a market economy as signs of imminent collapse. Political forecasts run from the return to hard-line conservatism to the breakup of China into provincial power centers.

Economic and political change will probably continue but at an uneven pace. The economic boom will peak and level off as China is forced to deal with nagging economic sectors that it has tried to ignore. The new generation of leadership appears more technocratic and less ideological than its antecedent. Although there may be more democratic progress in the Chinese Communist Party, including internal dissent, there will be opposition to creating rival political movements.

The greatest danger that China will pose over the next decade is neither economic growth nor uncertainty over its leadership,

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but rather what has not changed and may not change even with a new generation of leaders. A hundred years of foreign domination followed by the excesses of the Great Leap Forward and Cultural Revolution in a period of relative isolation caused China to miss major conceptual changes in the world. It is still stuck in a 19th century mindset represented by territorial great powers with large military forces. It still focuses on national sovereignty issues and rejects interdependence and international cooperation except in narrow, self-serving ways. It pursues ageless border disputes that have led to a variety of limited conflicts since the Korean War.

Probably the most destabilizing factor in the next decade will be modernizing the People's Liberation Army (PLA) with emphasis on its air and naval forces and power projection capabilities. China remains insensitive to the impact that its actions have on other states because it assumes that they operate on the same 19th century conceptual basis. This assumes that the Japanese motivation for rearming will be unaffected by Chinese military modernization since rearmament would happen anyway as a result of national sovereignty and a drive for great power status. Emphasis is thus on taking advantage of Japan's restraint to gain a stronger relative position. Military modernization coupled with territorial disputes and China's perception of what a great power is and how it should act makes for an uncertain and probably dangerous future for both Asia and the United States.

Korea is a powder keg with a short fuse positioned at the point of convergence of Russian, Chinese, Japanese, and American interests. The departure of Kim Il Sung has heralded a new era. The collapse of the Pyongyang regime is underway and only its timing and method remain unknown. Kim Jong Il inherited a failing state that had only been held together by the personality cult of his father. In the face of a rapidly declining economy and growing discontent, he must make changes to improve living conditions without threatening those elites who could depose him. Such changes can only be realized by an economic opening of the North and its integration into the international economy—the so-called China model. Changes needed to prolong a dynastic regime in the short term will unleash forces



Japanese ASDF personnel loading AIM-9 missile.

in North Korean society that will ultimately change or destroy that regime.

This does not mean that North Korea will pass easily from the world scene but only that the regime will be gone by early in the next century. It is extremely difficult for external powers to influence the decline and ultimate end of an isolated regime with strong military forces and a deeply rooted

the passing of North Korea is simply a minor transition in the long history of East Asia ideology, notwithstanding the October 1994 nuclear framework accord. The challenge to the international community will be to avoid a major

conflict or a spillover into South Korea of internal upheavals in the North. This requires continuing to retard Pyongyang's nuclear program but with realistic goals. It also demands an innovative policy for opening the North economically to hasten either positive changes in the regime and its integration into the international community or its peaceful departure from the scene.

The passing of North Korea is simply a minor transition in the long history of East Asia. More important will be the strategic changes resulting from a unified Korea, and they must be the focus of U.S. policy. The foundations for relations with a reunified Korea in the next century will be laid in the next decade. It is critical that America be viewed by Koreans as a positive force in the peaceful reunification of their nation. If U.S.

policy or military presence is seen as an impediment to reunification, Korean nationalists will sever the relationship during the reunification process or shortly thereafter. Fostering a positive long-term relationship requires new thinking on the alliance among Americans and South Koreans. It requires a military reorganization that accurately reflects the roles and contributions of both partners. The principal change in Korea and most of Asia is a vibrant nationalism firmly rooted in pride over the economic progress made during the last three decades. Recognizing that change is essential to U.S. strategic interests in the region.

Southeast Asia is the real frontier of East Asia where the interests of the major powers may clash. Unlike the Vietnam War era when some Americans read every struggle in Southeast Asia as a drive for Chinese hegemony, Beijing's future efforts in the South China Sea may constitute just such a move. While China's aims in the region may be primarily economic, expanding territorial claims and military modernization could be seen as an effort to get a stranglehold on Japan's vital sea lines of communication and hinder access to the Persian Gulf. The one constant in Southeast Asia is its geostrategic position, and that constant has become more important in an industrialized world economy which is increasingly dependent upon free trade and access to energy resources.

Geography is a constant in strategic terms, but there has been dynamic change in Southeast Asia. The Vietnamese threat in the region was a galvanizing force for ASEAN and led to initiatives that went beyond ending Hanoi's occupation of Cambodia. Closer relations were forged among national elites to mitigate old disputes. Dynamic economic growth led by Singapore spilled over frontiers to deepen the regional integration and establish what Robert Scalapino has termed Natural Economic Territories.

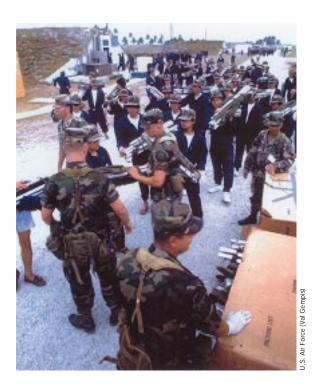
While rapid economic growth has reinforced nationalism in Southeast Asia, there has been a determined effort by ASEAN to foster multilateralism through economic, political, and security initiatives. This has been not only a reaction to Vietnamese expansion but also a recognition of the growth in Chinese and Japanese power which no regional state can deal with unilaterally. Through multiple tracks the members of ASEAN

sought direct engagement with China and attempted in the ASEAN Post-Ministerial Conference (PMC) and other multilateral forums to integrate China into regional dialogues. Simultaneously, individual ASEAN states tried to maintain American presence and engagement in the region. One result of these efforts has been the launching of the ASEAN Regional Forum (ARF) for a multilateral security dialogue and bilateral measures such as the U.S.-Singapore facilities agreement. ASEAN has been a leader in multilateral approaches because of the realities present in relations among its members and Vietnam, China, Japan, and the United States. The same multilateral approaches have the potential to benefit the region as a whole.

## American Interests

After more than a century of engagement American interests in East Asia remain relatively consistent. The United States has sought access to resources, markets, and capital, as well as the freedom of navigation in the waters of the region, which has led to opposing the dominance of a single power that could pose a threat to such access or freedom of navigation. In recent years the Nation has promoted market economies as well as human rights and democratic institutions which support its interests. During its engagement in Asia and long before the dramatic

Repatriating Chinese refugees from Kwajalein Island.



economic growth of recent years, America's political and security interests sprang from its economic interests. Even in the Cold War a major motivation of national security policy was to ensure that Japan's economy would retain a Western tilt. The growth of our domestic economy and maintenance of a healthy international economy will depend in large part on the continued expansion of the Asian economy in the next century. Thus political, economic, and security engagement will only support American interests as it contributes to peace and stability.

While interests remain constant, policies must evolve with regional changes. With Japan it is essential to forge a more balanced alliance with a decreasing reliance on the security component and an increasing emphasis on political aspects. Only under a broader alliance can mutual benefits be balanced; and without such an alliance relations will continue to be defined in narrow security or economic terms with public support on both sides of the Pacific rapidly eroding. Such an alliance requires more frequent high-level American political contacts than in the past.

It will also be important for the United States to consolidate its military bases in Japan and if necessary reduce its force structure. With a change in the Pyongyang regime or reunification on the peninsula, Washington should expect to further reduce its forces in Northeast Asia. Given a reluctance to fight another conflict on the Asian mainland, efforts should be made to maintain U.S. air and naval presence with limited though highly mobile ground forces. This will be easier once the Korean issue is resolved. While changes in the Asian security environment will permit reduced ground forces, America should seek access and support agreements that will guarantee its ability to protect its interests and those of its allies.

The U.S.-Japanese alliance is seen by many in Asia as both an insurance against Japanese militarism and an assurance of continuing U.S. engagement. This makes it vital to balance reduced military presence with strengthening of the alliance in other areas. While Washington and Tokyo will continue to be economic rivals, it is vital that bilateral economic issues are resolved to avoid damaging the alliance by mismanaging economic relations. As change continues to buffet Asia it

will be increasingly meaningful to subordinate short-term national security and economic interests to broader strategic objectives.

American relations with China have been difficult for half a century. The United States has considered China its real enemy in two Asian wars. Only from 1972 to 1989 was the relationship a loose strategic partnership. With the collapse of the Soviet Union, China turned its attention and anxiety toward the United States. It feared an America that would take advantage of a perceived unipolar world to throw its weight around to seek global dominance. Operation Desert Storm and public discussion of China as a potential enemy only added to this perception while underscoring the technological weakness of the Chinese military. China viewed itself as the possible new object of a more aggressive U.S. containment policy.

On the other hand, the United States was unsure of China's intentions. Missile and nuclear technology exports, aggressive territorial claims, continuing defense budget growth, and a history of support to the Khmer Rouge and Iran made China a challenge to the peaceful global order that the

it is important that our forward presence not be viewed as threatening by Chinese eyes United States hoped would replace the Cold War. These concerns unfolded against a backdrop of Tiananmen Square and cur-

tailed contacts between the United States and China. A strong lobby in Congress brings together human rights activists and supporters of Taiwan, two groups which oppose normal relations with Beijing. Yet U.S. strategic interests require engagement with China, the center of Asia and the fastest growing economy in the world. China casts a growing shadow over all the subregions of Asia. As a permanent member of the U.N. Security Council it has a major voice in that organization's role in crises around the globe. By accepting or rejecting the Missile Technology Control Regime and the Nuclear Non-Proliferation Treaty, the Chinese will be a major determinant in the pace of global proliferation. Attempts to contain or threaten China could lead to a Cold War that is not in the interest of either China or the United States, which for different mo-



tives share common interests in maintaining peace and stability in Asia.

The decision by the Clinton administration last year to decouple most-favored-nation trading status from human rights and to reengage China in political, economic, and security dialogues was an important step toward broader strategic engagement. Support for multilateral initiatives such as ARF is also important. While direct leverage on China is limited, how Washington manages its security relationship with Tokyo, relations with Taipei, and force structure in Asia has a positive or negative influence on Beijing's actions. It is important to maintain a strong security relationship with Japan and a force structure in Asia which is reassuring in the context of that relationship. It is equally important that our forward force presence not be viewed as threatening by Chinese eyes. It is this delicate balance that may permit a continuation of peace and stability in Asia and discourage a regional arms race over the next decade.

It is also essential to press for an end to the North's nuclear weapons program. But it may be naive to think that this program—which is at the core of Pyongyang's security concerns—will be terminated through diplomatic negotiations. The best that one could probably hope to achieve is to slow the progress of the program while working to peacefully change the regime's international conduct. The objective is not merely to end the North Korean nuclear weapons program but more importantly to change the regime in order to peacefully reunify the Korean peninsula or to integrate



Conference Row, Panmunjom.

the North as a positive participant in the international community.

While the North Korean transition plays out, it will be vital to maintain a strong deterrent in South Korea and unified positions with South Korea and Japan on policy initiatives toward North Korea. It will be increasingly important also to integrate China into consultations on engagement with North Korea. Concurrently, America must continue moving toward a supporting role in its alliance with the Republic of Korea. The presence of a highly visible American commander forty years after the armistice—in a nation with twice the population and at least ten times the GNP of the North and which provides more than 90 percent of the forces for its own defense—is no longer realistic or in the best interest of the United States. Continuing this arrangement can only foster anti-Americanism and the increasing vulnerability of the United States to charges of prolonging the separation of the two Koreas.

In this transition to a supporting role it is critical that deterrence not be undermined. This means maintaining our forces in the South as well as increasing air and missile defense systems. U.S. efforts should continue to emphasize rapid reinforcement of heavy forces but with priority on air and naval forces. The steps which have been taken to designate the Seventh Fleet Commander as the Combined Forces Command (CFC) naval component commander go in the right direction. The next logical step is to appoint an Air Force officer as commander of U.S. Forces

Korea. This will facilitate transitioning CFC to the Korean general officer who exercises peacetime operational control over all South Korean forces in CFC. While a U.S. Army four-star general should retain the U.N. Command, it is not necessary for him to be located in Korea, and this command should be activated only for major exercises or in the event of a new conflict.

Negotiating access agreements for port, air, and supporting facilities throughout East Asia and the Pacific will be vital in maintaining flexible power projection in an era of decreasing overseas basing. Southeast Asia is a priority area for such agreements. That priority is a result of U.S. withdrawal from Philippine bases and a continuing need to be able to project forces into the Persian Gulf region. This calls for a wide range of old and new policy initiatives. America must revitalize its alliance with Thailand, which has been strained by the Cambodian situation, and also explore alternative access arrangements with the Philippines in the context of the existing security treaty. In addition, the United States must improve relations with Indonesia and Malaysia, finalize an access accord with Brunei, and continue its facilities agreement with Singapore.

Access agreements are not gifts and there will be costs in the form of military assistance, improvements in infrastructure, regional exercises, and political engagement. These costs will be insignificant, however, when measured against maintaining the flexibility and necessary capability to project U.S. forces throughout the Asia-Pacific region and into the Persian Gulf.