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U.S. POLICY AND THE FUTURE OF ASIAN-PACIFIC SECURITY

SHELDON W. SIMON

U.S. Interests in a Fluid Asia-Pacific Environment

The Clinton Presidency's vision for post-Cold War Asia seems as yet unformed. Asia is, after all, relatively low on America's policy agenda in large part because the region overall appears politically stable and economically prosperous. For a U.S. President who was elected with only 43 percent of the popular vote—the smallest winning percentage in 80 years—foreign policy issues are not seen as the basis for rallying domestic support. Rather, Clinton's foreign policy is subordinated to the revitalization of the U.S. domestic economy. Specific foreign policy options are assessed first and foremost in terms of how they impact the U.S. economy and how much their implementation will drain or add to the country's treasury.

Nevertheless, even a reluctant (and perhaps declining) great power has responsibilities to its partners and duties derived from past commitments. Therefore, America's Asian policy will probably only change incrementally regardless of the political affiliation of the White House occupant. In short, U.S. obligations in the region will continue to mark the parameters for American policy. And, the Asian states expect Washington to continue to play a principal, if not dominant, role in regional security. Moreover, the United States seems willing to accept these responsibilities as long as their financial burdens can be shared. That is, Washington will continue to provide much of Asia's regional military security as a collective good in exchange for sustained recognition of the United States as an important regional actor.

To paraphrase Singapore Prime Minister Goh Chok Tong in a recent address in Tokyo: Asia's continued prosperity depends on a stable environment and friendly relations among the region's members that will encourage investments and trade to flow freely. The linchpin for this framework is an America which remains engaged for a U.S. presence will facilitate more comfortable relationships among China, Japan, Korea, ASEAN, and Indochina. Conversely, should Asia lose confidence in the United States, then each member could well revert to the classic security dilemma, engaging in competitive arms acquisitions for self-protection and thereby alarming its neighbors. This scenario would be particularly unnerving in Northeast Asia because of the potential for both Koreas and Japan to acquire nuclear weapons.¹

New relationships among Japan, China, and the United States must be forged in the 1990s because the strategic entente of the previous decade is now obsolete. Absent a Soviet threat, China's traditional fears of Japan and the latter's concerns over the longterm political ambitions of an economically vibrant China require the maintenance of an American presence to leaven the bilateral relationship of suspicious neighbors.

Even with American forces in Asia, the capacity for military action by the region's members grows. There are no formal arms reduction agreements for the Asia-Pacific; and economic growth has permitted a number of countries to expand their arsenals substantially over the past decade. This is particularly true for China, Taiwan, North Korea, and Japan. With its 2–3 percent annual increase, Japan's defense expenditure is five times that of Australia, three times that of North and South Korea combined, and almost four times greater than ASEAN's total. Japan's defense budget is also 20 percent more than China's. While the current recession has slowed Tokyo's defense growth, the country's defense environment has probably worsened. North Korea has flight-tested a medium-range missile (the Rodong) which can strike western Japan.

In this context, the United States has tried to provide its allies "strategic reassurance": an over-the-horizon presence based in Japan, the mid-Pacific, and to a smaller extent, Korea, capable of projecting military power to all parts of Asia. This fire brigade approach was first outlined by the Bush administration in its East Asia Strategy Initiatives (EASI) of 1990 and 1992. Both EASIs provided for the maintenance of bilateral security treaties with Asian allies through temporary forward deployments via access arrangements in several Southeast Asian countries. While these deployments would constitute tangible evidence of American commitments to regional stability, their actual utility in a crisis has yet to be tested.

The Clinton administration has maintained EASI's orientation. In its commitment to cut the Defense budget $88 billion more than President Bush had planned by 1999, the Navy will be reduced from 12 to 10 aircraft carrier battle groups and the Air Force to 20 fighter wings from 26. The new strategy accompanying these force reductions is designed to engage in only one major conflict at a time. If two occurred simultaneously, the one not chosen for initial engagement would be contained through air power and limited ground forces. This reduced capability has rendered U.S. decisionmakers more amenable to multilateral fora for security consultations than they had been in the past. Assistant Secretary of State for East Asia and the Pacific Winston Lord has cited new issues emerging which deserve regional deliberation, including arms races and uncertainties about great power intentions. Nevertheless, willingness to embark upon regional security discussions does not convert to any enthusiasm for new regional security arrangements. Asia-wide security consultations have only just begun with the annual 1993 ASEAN post-ministerial conference (PMC) in which Japan, the United States, Australia, New Zealand, the European Community, South Korea, Canada, and now Russia and China are all participants. It

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3 Ibid.
is unlikely, however, that these discussions will create more formal multilateral commitments. Rather, they signify the addition of the newest and most comprehensive component to an existing network of bilateral, subregional, and now regionwide informal arrangements that could, over time, combine in flexible way.

**The U.S.-Japan Relationship: Economics versus Security**

The U.S. Japan relationship is undeniably the most important bilateral linkage in the Pacific. U.S.-Japan bilateral trade is the largest overseas commercial relationship in the world; and the Tokyo-Washington alliance has been the bedrock of Asian stability. Yet, compatible political systems and common security interests are being undercut by ever growing trade tensions. Averaging $49 billion a year, Japan has run up a trade surplus with the United States of nearly $500 billion over the past decade. During the Cold War, economic tensions could be contained by the overarching need for Tokyo's cooperation against the USSR. Mr. Clinton, by contrast, driven by America's domestic economic difficulties, now is far more interested in focusing on the balance of trade than the balance of power. Washington is pressing Japan to accept elements of managed trade by which Japan would reserve a certain portion of its markets for foreign products. Moreover, the United States is also asking Japan to reduce its global trade surplus of $107 billion (1992) or 3.3 percent of GNP to between 1.5 and 2.0 percent. In return, Clinton promises to bring the U.S. deficit under control and maintain America's open marketplace. In effect, the Clinton administration seems to be playing a game of chicken with Japan in the belief that the U.S. market is more important to Tokyo than is the Japanese market to Washington. Moreover, the United States argues, U.S. demands are more in line with Japanese consumer interests than the LDP's protectionist strategies whereby many products cost twice to three times as much in Japan than in the United States.

From the American point of view, the future of U.S.-Japan relations is centered on the question of whether Japan can shift from behaving like an international trading firm to a great power with global responsibilities for promoting international security and prosperity. One well known American analyst advises that Japan should emulate Germany by channeling its political and economic strength through greater collective security participation. Certainly, Japan's contribution of SDF and civilian personnel to the UN Cambodian peacekeeping effort has been a significant breakthrough along these lines and has been followed by the dispatch of a small number of additional military to Mozambique. Given the constraints under which these forces operate through the 1992 Peacekeeping Cooperation Law, both Japan's own public opinion and that of its Asian neighbors appear to have accepted this new Japanese role in United Nations peacekeeping. It is particularly important that even though Japan drew casualties in confrontations with the Khmer Rouge, the government did not withdraw its forces. Foreign Minister Muto Kabun placed Japan's UNTAC participation in the context of a broader world role when he stated:

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Our people are there to make contributions to world peace. Even our Constitution asserts that we want to occupy an honored place in an international community that strives for the preservation of peace.

Even when speaking in terms of the spirit of the Constitution, it is certain that Japan must do its part to cooperate in securing world peace—that is, within the scope of the Constitution.8

As a prominent Singaporean diplomat put it, if Japan wants a permanent seat on the UN Security Council, it must first establish a track record demonstrating that it is willing and able to help manage international conflicts.8 Tokyo's participation in the runup to the May 1993 Cambodian elections constituted a major step in that direction.

In many ways, Japan is currently in an enviable position for rethinking its longer-term security posture. The Russian threat has disappeared (for the foreseeable future). China is focusing on economic development. And Tokyo is a major trade and investment partner with all Asia-Pacific states, a situation that places Japan in a more benign relationship to the region than at any time in its modern history. Moreover, even though Japan has begun to participate in international peacekeeping, its own security needs are still being met through the U.S.-Japan Mutual Security Treaty centered on the presence of American bases which benefit the region as a whole.

Prime Minister Miyazawa did expand Japan's commitment to Asian regionalism in his proposals to strengthen the Asia-Pacific Economic Cooperation forum (APEC) on economic issues and the ASEAN PMC for political and security issues.10 While initially wary of regional security discussions, the United States endorsed the idea during the last year of the Bush administration. Both the United States and Japan have designated APEC as the only appropriate Asia-Pacific forum to deal with trade and investment liberalization. For Japan, commitment to APEC has provided a way of gently turning aside Malaysian Prime Minister Mahathir Mohammad's alternative proposal for the creation of an East Asian Economic Caucus (EAEC). The latter would exclude North Americans and serve as a counterpart to the creation of other exclusive economic regional groupings, specifically the European Community (EC) and North American Free Trade Agreement (NAFTA). Because Japan's economic interests are global and also because the United States interpreted the EAEC proposal as an attempt to exclude it from Pacific economic deliberations, Tokyo has shown little interest in its creation. Should NAFTA and the EC become protectionist, however, (an unlikely prospect), then Japan might reconsider the viability of an EAEC.

Tokyo has also developed new guidelines for Official Development Assistance (ODA) which are ostensibly no longer directed to the promotion of Japanese exports. Rather, the emphasis is on assisting those countries which are improving their human rights record, making efforts toward democratization, marketization, and the protection of the environment, as well as reducing their military budgets.11 These criteria seem to be ignored,

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9 Kishore Mahbubani, "Japan Adrift," Foreign Policy, (88) Fall 1992, pp. 126-144.
10 An excellent discussion of Prime Minister Miyazawa's Asian policy may be found in James W. Morley, Japan and the Asia-Pacific: Defining a New Role (New York: The Asia Society, May 1993).
11 Ibid., p. 10.
however, in the cases of China and Vietnam both of which are deemed important aid recipients for commercial and political reasons despite their less than sterling performances on several of the new ODA criteria.

The two major trouble spots for Japan's regional policy are Russia and North Korea. Tokyo has been unable to devise an effective policy toward post-Soviet Russia both because of the northern islands issue and because of considerable skepticism over Moscow's ability to move successfully toward a market economy. Russia's willingness to reach a settlement on the return of the islands because of the domestic politics of the country's far eastern region reinforces the Japanese view that Boris Yeltsin is an ineffective leader. While Tokyo has reluctantly complied with various G-7 aid packages to Russia totaling close to $30 billion, Japanese businessmen have not followed suit, believing that Russia provides neither the market, legal conditions, nor infrastructure for successful relationships. Moreover, in the military arena, Japan remains concerned about the high level of armaments which are still deployed in the Russian far east; and Moscow reciprocates these anxieties by noting that Japan's naval buildup in conjunction with American forces could again threaten the Russian Republic in the event of crisis. Yeltsin, like Gorbachev, has proposed a three way naval arms control arrangement for the North Pacific to ameliorate these concerns. Neither Washington nor Tokyo has yet responded.

With the collapse of the USSR, the primary security threat justifying the maintenance of U.S. forces in Japan is the prospect of nuclear weapons in Korea. (See the Korean section of this paper below.) For Tokyo which is committed to neither making, having, nor housing nuclear weapons on Japanese soil, the nuclear issue is particularly worrisome. North Korea's Scud-C missile is capable of delivering a warhead on Japan. Should a North Korean nuclear capability be confirmed, many believe that Japan's postwar policy of military self-abnegation could be in jeopardy. Seoul, Tokyo, and Washington are coordinating their policies toward North Korea. Washington has agreed to provide more Patriot missile defenses to both allies, although several experts believe that a true North Korean nuclear missile threat is still years away. They doubt North Korea's technical capability to build a small nuclear warhead for a medium to intermediate-range missile. The United States could also add to Japan's missile defenses by integrating them into U.S. space-tracking and targeting systems.

**Approach-Avoidance in U.S.-China Relations**

The mutually supportive strategic relationship of the 1980s among China, Japan, and the United States against the Soviet threat has been rendered obsolete; and historical legacies

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13 Ibid., p. 501.
14 Morley, Japan and the Asia-Pacific, p. 12.
have resurfaced within China which militate against Japan taking a regional leadership role on its own. While Beijing prefers a continued U.S. military presence in East Asia to deter any rapid expansion of Japan's military might, the PRC also has serious problems with Washington. Chinese leaders resent the American emphasis on human rights as the keystone for bilateral relations; and they continue to avoid full compliance with U.S. demands on intellectual property rights, prison-made exports, and missile and nuclear technology exports to such "rogue states" as Iran. Beijing objected to the Clinton administration's one year conditional extension of Most Favored Nation (MFN) trade status for China, charging that its human rights' provisions constitute interference in the PRC's internal affairs. The PRC leadership sees the United States turning from a "quasi-ally" to a "quasi-enemy" in the post-Cold War period.

The Chinese are particularly put off at this American treatment because they believe they have, in fact, been very supportive of U.S. political interests in East Asia. China has normalized relations with the Republic of Korea (ROK), urged North Korea to abandon its nuclear weapons program and open its economy to foreign investment, assisted in a negotiated settlement of the Cambodian conflict by virtually abandoning the Khmer Rouge, and made major advances in promoting commercial relations with Taiwan. All of these actions have promoted peace, stability, and prosperity. Yet, in Chinese eyes, the United States remains unforgiving over Tiananmen Square.

Sino-Japan relations also display mutual ambivalence. On the positive side, Japan has moved beyond Tiananmen Square, believing that constructive engagement and efforts to incorporate China into a web of multilateral political and economic institutions such as the APEC constitute the best way to insure that the PRC remains committed to fostering Asia-Pacific stability. Nevertheless, both Tokyo and Beijing are troubled about the other's longterm intentions. China points to Japan's large and growing defense budget (in monetary terms) and high technological sophistication. Beijing is also wary of the Peacekeeping Cooperation Law, fearing that it could be the initial move in an evolving Japanese plan for overseas force deployments and ultimately combat participation.

Tokyo's perceptions mirror those of Beijing. Double digit PLA defense budget growth for the past three years, an increasingly active regional navy, and the acquisition of modern Russian combat aircraft comprise a potential threat when they are linked to China's claims to the Senkaku and Spratly islands and much of the East and South China Seas. Cognizant of Asian concerns over its maritime claims, Chinese Foreign Minister Qian Qichen and other Chinese leaders have emphasized that the PRC desires to resolve these differences peacefully and is willing to consider joint exploration and exploitation. Nevertheless, regional military analysts believe that China may simply be using informal negotiating processes—such as Indonesian and Philippine-sponsored meetings on the Spratlys' future—to stall for time while it creates a navy and air force capable of achieving domination against local contenders. It is also possible that China is promoting territorial claims as a political-psychological counter to what it sees as a U.S.-inspired effort to undermine

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the regime’s legitimacy through American support for prodemocracy sentiment.\textsuperscript{19}

It is conceivable that U.S. oil companies could become involved in exploration around the Spratly islands further complicating U.S. policy. China has already let one contract for exploration in the vicinity to the Crestone Corporation. When the U.S. ends its economic embargo against Vietnam, Hanoi will probably also seek U.S. companies for exploration. Moreover, any growth of tensions in the Senkakus could bring forth the question of the applicability of the U.S.-Japan Security Treaty to the Japanese-claimed islands.

\textit{The Korean Peninsula: Post-Cold War Flashpoint}

With the completion of elections for a new government in Cambodia, the last and most dangerous vestige of the Cold War is found on the Korean peninsula. The Kim dynasty in the north presides over a failed state whose economy is tattered and whose ideology and political system are globally discredited. Its southern rival has become the paragon of late 20th century success with a vibrant export-led industrial economy and a polity that has evolved through authoritarianism to democracy. Not only has the Republic of Korea (ROK) moved from a peasant to a manufacturing state in 30 years, but it has also now become a capital exporter to China and Southeast Asia, while awaiting the political opportunity to do the same for North Korea.

The key security issues for both Koreas reside in how military tension can be defused and North Korea reassured that the ROK is not contemplating a German solution. Resolving the latter requires Seoul’s commitment to Pyongyang’s independence (for the foreseeable future) through economic assistance. Resolving the former is more difficult for the DPRK is a garrison state with a military of one million; and it is also apparently a state bent on acquiring a minimal nuclear deterrent. This last goal has brought China, Russia, Japan, South Korea, and the United States together in a combined effort to dissuade Kim Il-song and Kim Chung-il following the path of nuclear proliferation. Unfortunately, however, these efforts may be in vain.

By 1992, the United States and ROK had agreed to a nuclear-free South Korea and offered Pyongyang the opportunity to conduct verification inspections if the DPRK reciprocated by extending the same opportunities to South Korean inspectors and the International Atomic Energy Agency (IAEA). China, Russia, and Japan all applauded the U.S.-South Korean declaration and urged the North to reciprocate.\textsuperscript{20}

As James Cotton has argued, there are reasonable explanations for Pyongyang’s decision to acquire a nuclear weapon.\textsuperscript{21} They do not necessitate a high probability that it will be used. Any nuclear explosion on the Korean peninsula itself could devastate portions of both Koreas. Thus, even if it possessed a bomb, a strong case could be made that North Korea would be self-deterred. Meanwhile, the prospect of a North Korean atomic war-


\textsuperscript{21} Much of this analysis is drawn from James Cotton, “North Korea’s Nuclear Ambition,” \textit{Adelphi Paper 275}, (London: International Institute for Strategic Studies, March 1993), pp. 94-106.
Head has induced the United States to enter into discussions with Pyongyang and offer such carrots as the cancellation of Team Spirit exercises, diplomatic recognition, and economic aid provided the DPRK opens itself to nuclear inspectors. Japan is also offering aid and recognition.

The Kim dynasty faces an approach-avoidance dilemma in choosing to open its society to foreign aid and investment. Infusion of foreign capital and technology may be the system’s only hope for longterm survival. Yet, without careful management, an opening policy could be fatal to the Kim dynasty. Insofar as North Korea has a model for its future, it is probably Deng Xiaobing’s China where party and state so far have managed to coexist with a burgeoning market economy.

In fact, given the DPRK’s economic situation, the decision to acquire a minimal nuclear deterrent may have grown out of the somber realization that the costs of a conventional arms race with the far wealthier South were becoming prohibitive and that atomic weapons offered a cost-efficient obstacle to South Korean or American adventurism. Relying on a perceived nuclear capability, Pyongyang could gradually reconfigure its army and devote more resources to economic growth. The basic problem with this policy is that a nuclear armed Korea might well unravel the nonproliferation situation in Northeast Asia. The combination of nuclear warheads on the peninsula and Scud missiles which could reach Japan might lead Tokyo to reconsider its own nonnuclear stance. It is significant that Japan was the only country in the July 1993 G-7 talks which stated it could not yet support an indefinite extension of the Nonproliferation Treaty (NPT) when it comes up for renewal in 1995. The unstated referent for this hesitation is, of course, North Korea.

For South Korea, security remains tied to the U.S. military presence and commitment but also in the creation of “multilateral security dialogue and cooperation with the countries of the Asia-Pacific region and Northeast Asia.” The ROK is beginning to explore alternative security structures beyond exclusive dependence upon the United States. It is particularly interested in securing an arrangement among Russia, China, Japan, and the United States that would facilitate inter-Korean cooperation. One way of accomplishing this could be through joint development projects, for example, in the Tumen River basin where China, Russia, and North Korea come together. South Korean and Japanese capital, technology, and management could be applied to this project which is already being studied by the United Nations Development Program. President Clinton is amenable to regional dialogues on Asian security, seeing them “as a way to supplement our alliances and forward military presence, not to supplant them.” The dialogues would help arrange confidence-building measures (CBMs), dampen the potential for arms races, and “build a foundation for our shared security well into the 21st century.”

A security arrangement for the Korean peninsula should focus on reducing the threat.

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of surprise attack by agreeing on maximum force numbers for each side, close mutual monitoring of forces near the 38th parallel, reduction of offensive weapons emplacements, and mutual verification of the absence of nuclear weapons. Ultimately, the ROK might even be able to offer a phased withdrawal of U.S. troops and an end to joint military exercises in exchange for the demobilization of several North Korean divisions and the reconfiguration of remaining forces into a defensive posture. These developments could be ratified by a peace treaty between Seoul and Pyongyang, guaranteed by the four great powers mentioned above, which would replace the existing armistice on the peninsula. The new treaty would include a nonaggression pledge by the two Korean governments.

**Southeast Asian Regionalism**

In the post-Cold War world, Southeast Asian leaders are exploring prospects for new collaborative security arrangements less dependent on benign mentors and more reliant on the supposedly shared interests of neighbors. This search for new regional approaches to security collaboration may be seen as an effort to go beyond the Cold War enunciation of a Zone of Peace, Freedom, and Neutrality (ZOPFAN) whose primary goal had been to keep the Russians and Chinese out of regional politics as the Western powers reduced their military presence.

During the 1980s, almost serendipitously because of the Indochina conflict's threat to Thailand and the need to effect a unified position in UN debates on Vietnam's occupation of Cambodia, the ASEAN states began regular consultations among themselves and with such external powers as the United States, the European Community, and Japan. These consultations were designed not only to force a Vietnamese exit from Cambodia but also to create the impression of a unified ASEAN position on the more general issue of Southeast Asian security. Annual ASEAN gatherings have helped to establish regional norms which would inhibit expansionist actions by any ASEAN state and create diplomatic alternatives for conflict resolution. Although formal mechanisms for peacekeeping, disarmament, and CBMs are not in place for Southeast Asia, the organizational framework of the annual ASEAN foreign ministers meeting is available to negotiate these arrangements if its members believe they should be devised.

Fortunately, for ASEAN, time does not seem to be a crucial variable in regional security. That is, with the encapsulation of the Cambodian conflict and the May 1993 elections to form a Constitutional Assembly and a representative government, there appear to be no imminent threats to the territorial integrity or economic livelihood of the ASEAN states. Security concerns appear more longterm and prophylactic: (a) regional arms races; (b) the South China Sea disputes; (c) future relations with Indochina; (d) prospects for an

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28 For an examination of alternatives to ZOPFAN with the Cold War's end, see Muthiah Alagappa. "Regional Arrangements and International Security in Southeast Asia: Going Beyond ZOPFAN," Contemporary Southeast Asia (12, 4) March 1991, pp. 269-305.
Asia-Pacific security regime which would incorporate China and Japan; and not to diminish economic regionalism; (e) the effect of an ASEAN Free Trade Area (AFTA) on regional identity.

Some arrangements for security collaboration among ASEAN members have been in place on a bilateral basis for almost two decades. They include the sharing of political and military intelligence, overlapping and coordinated airspace and coastal waters maritime coverage, and cooperative negotiating strategies on such issues as Indochina and the opening of industrial countries' markets for ASEAN trade. As for the regional CBMs, as long as external threats remain low and there appears to be sufficient U.S. naval and air power to move into the region in the event of a crisis, time is available to experiment with new approaches to regional security cooperation.

This is not to say, however, that Southeast Asia will emulate post-Cold War Europe. The region's geography is more disparate and complex; and the variegated national cultures and economies in Southeast Asia do not fit neatly into a single multilateral framework. Regional political consultations are essential, however, for the ASEAN states to reassure one another as all acquire modern new air and maritime capabilities. To avoid a classic arms race within the region, each member must convince the others that arms acquisitions will not be directed toward aggressive national ends. One way to achieve this is greater cooperative training and deployments, thus enhancing common security for mutual benefit rather than competitive single state armed forces seemingly arrayed against each other. Collaborative efforts could be taken to effect a new security agenda focusing on anti-piracy, counternarcotics, maritime commercial traffic separation particularly in the Malacca Straits, environmental monitoring, EEZ surveillance, fishery protection, and the control of illegal immigrants. Particularly noteworthy is that this agenda does not require a common external security threat. Its implementation would benefit most ASEAN members; and success would require each state's collaboration.

Some multilateral security arrangements among ASEAN members may form in the 1990s. One prospect is anti-piracy cooperation. These incidents occur primarily in coastal waters, frequently within overlapping EEZs, thus providing a legal basis for joint efforts against the predators. In the summer of 1992, Indonesia and Singapore agreed to coordinate patrols in the narrow Phillips Channel at the entrance to the Straits of Malacca. A major concern about piracy in the Phillips Channel centers on the loss of physical control over ships in these narrow, shallow waters. One or two wrecks in strategic locations could disrupt traffic in the Singapore Strait for weeks, forcing some 6000 ships per month to seek alternate routes between the Indian Ocean and South China Sea. Indonesia and Malaysia have also set up a planning team to combat piracy. Efforts by all three littoral states had significantly reduced instances of robbery at sea in these straits by the summer of 1993, though the privateers have apparently moved on to the waters adjacent to the Philippines.

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which has a smaller capability to monitor and defend.\textsuperscript{32}

Another source of tension among Malaysia, Indonesia, and Singapore is the acceptability of China as a player in Southeast Asia. Jakarta remains wary of Singapore moves to draw China closer to ASEAN. Chang Heng Chee, a former Singapore diplomat and prominent academic, has argued that China’s economic and political weight cannot be ignored and that a regular, formal dialogue between China and ASEAN should be established. Indonesia’s traditional mistrust of the Chinese continues, however, this time focusing on the PRC’s proprietary claims to the South China Sea islands.

Other strains within ASEAN continue into the 1990s. Thailand and Malaysia have not resolved their maritime boundaries, though an agreement on joint exploitation of the disputed area has been reached. The longstanding Philippine-Malaysian dispute over Sabah’s ownership foresees no resolution. Malaysia and Indonesia lay conflicting claims to Sipadan island in the Celebes Sea. Thai fishing vessels are seized in Malaysian waters, a problem Thailand also has with Vietnam since Thai waters have been depleted through overexploitation by one of the biggest fishing fleets in the world. Thailand’s plan to divert Mekong River waters to irrigate its arid northeast could meet with objections from Laos and Vietnam.\textsuperscript{33}

Another more recent source of intra-ASEAN conflict arises from the illegal migration of workers from one country to another, drawn by job opportunities and higher wages. Singapore and Malaysia are particular magnets. In 1991, Singapore amended its immigration law to expel some 10,000 illegal Thai workers. In Malaysia, illegal workers are estimated to number some 700,000 evenly split between Indonesia and the Philippines.\textsuperscript{34}

Finally, diplomatic frictions occur when ASEAN states take individual initiatives which affect the whose membership without consultation. Recent examples include Singapore’s offer to base facilities to the United States; Thailand’s bid to be the lead country with respect to Indochina’s post-Cold War economic development; and Malaysia’s proposal for an East Asian Economic Group. The last has been a particular sore point with Indonesia’s President Suharto who resents Mahathir’s high diplomatic profile in representing Southeast Asian interests to the rest of the world. All of these appear to undermine established ASEAN norms of consultation and consensus.

Nevertheless, Southeast Asia is groping toward a new regional order. Its premises include a greatly reduced U.S. military presence and the consequent need to develop indigenous security arrangements which would convince both Japan and China that they should not project their own forces into the region. For Japan, this requires only an understanding that no state threatens the SLOCs through the South China Sea. For China, the issue is more complicated. Elements of the PLA may not see the South China Sea as a neighboring maritime region but rather as part of greater China—to be recovered at


\textsuperscript{33} These problems are discussed by Kusuma Sniitwongse, “Strategic Developments in Southeast Asia,” in Desmond Ball and David Horner, eds., \textit{Strategic Studies in a Changing World: Global, Regional, and Australian Perspectives} (Canberra: Strategic and Defence Studies Centre, The Australian National University, 1992). Especially pp. 270–274.

some time in the yet unspecified future. This perception of China's longterm goal for its "near south" will accelerate Indochina's integration into a greater Southeast Asian order.

ASEAN's annual PMCs which already include individual dialogues with major OECD countries on political and security issues could evolve toward more multilateral discussions integrating economic, political, and military matters. The PMCs will have a Pacific rim "plus" character through the 1990s: South Korea is a dialogue partner; China and Russia have now been invited; and Vietnam and Laos are observers. Once Cambodia's new elected government is formed, it, too, will probably be invited to participate. The topic at the top of the PMC agenda will be peaceful resolution of the South China Sea confrontation between China and the Southeast Asian claimants.

In due course, if the Indochinese states embrace market economics, they will be invited to accede to full membership in ASEAN. Their addition will provide new commercial opportunities in the context of AFTA and strengthen the collective shield against China. The PRC will continue, however, to try to separate its South China Sea dispute with Vietnam from its relations with the rest of Southeast Asia. China may be willing to discuss the Spratlys with the original ASEAN claimants but may well insist on dealing with Hanoi separately. In part, Beijing's adamancy over its South China Sea claims is related to its growing need for offshore oil. Already, offshore drilling provides the country with one-third of its petroleum. To obtain South China Sea resources, China needs ownership of the islands. In its February 1992 law on the East and South China Sea claims, China's navy is authorized to chase foreign vessels out of the region if they violate such regulations as prenotification of passage. In April 1992, a high level PLA Navy official acknowledged that much of the PRC's naval buildup is designed to protect its South China Sea claims. At the very least, the new law places China's neighbors on notice that partial understandings on the area's sea resources may not be reached without China's participation.35

Finally, the question of whether ASEAN security cooperation will move from bilateral to multilateral arrangements as the 1990s progress? A number of considerations favor the latter if it is understood at the outset that ASEAN will not become a regionwide defense community. Barring that, multilateral subregional cooperation has many attractions. They include more effective exercises, training, and joint maritime patrols, as well as the possibility of less expensive joint weapons purchases, stockpiles, and common repair facilities. Moreover, joint defense, particularly if linked to the United States or Australia, would offer incentives to China to discuss South China Sea issues and reassure Japan with respect to regional stability. Multilateralism would also reduce the security dilemma within ASEAN, guaranteeing neighbors that weapons purchases were not being acquired against one another.

Conclusion

As the world moves toward the 21st century, the Asia-Pacific rim has initiated a set of regionwide economic, political, and security consultations with America's blessing.

APEC emphasizes economic and commercial discussions, while the ASEAN PMCs now deal with political-security concerns. The goals of both sets include trade and investment promotion, tension reduction and confidence-building throughout the Asia-Pacific. The region may be experiencing an unusual combination of both realist and liberal security strategies. The former emphasize containment and deterrence which still operate with respect to Korea and through U.S. security treaties with the ROK, Japan, Thailand, the Philippines, and Australia. Increasingly, however, the latter seems to be taking hold in the post-Cold War era. The region's members think less about adversaries and more in terms of how to create reassurance for one another that military modernization is defensive and cooperative rather than offensive and confrontational. The liberals emphasize peacekeeping, as in UNTAC's Cambodian venture, confidence-building through joint exercises, patrols, and intelligence sharing, and, perhaps, in due course, arms reductions.

This building block approach to Asian security depends on the maintenance of sufficient U.S. forces in the area to insure that a peaceful environment prevails while confidence-building measures are being deployed. It is also important to remember that confidence in the United States depends not only on its military presence but also its support for Asia's economic growth and entrepreneurial skills. Sustained open access to the U.S. market is essential if the new Asian middle classes are to continue to develop the pluralization of their societies and ever more democratic political systems. The latter may be the best available guarantee of regional stability.

The foregoing assessment of regional security for Asia in a post-Cold War environment yields several conclusions about the future of collective security and U.S. forward presence:

1. No collective security pact for either Northeast or Southeast Asia is on the horizon, much less an Asia-wide organization. For the foreseeable future, no single Asian state or combination of actors is perceived to threaten either the territorial integrity of others or international sea lanes. The absence of any clear threat, then, precludes the necessity for new, multilateral defense arrangements.

2. Nevertheless, security problems will persist in overlapping EEZs, competitive claims to the Spratly islands, illegal migration, and maritime resource disputes, as well as in the uncertainty over Korea's political future, and the prospect of nuclear weapons development on that peninsula. Most of these issues are exclusively local and can only be resolved by the affected states. Outside powers have little substantive interest in them—with the exception of Korea—unless an outbreak of hostilities would threaten international commerce. A continued U.S. naval and air presence, then, can no longer be justified by reference to an overarching great power menace.

3. Rather, the maintenance of reduced U.S. air, naval, and army deployments in Asia will depend on a series of mutually beneficial bilateral agreements which also have the concurrence of neighboring states. Periodic access, prepositioned supplies, and regular joint exercises will probably characterize U.S. arrangements in Southeast Asia, initially with Singapore, Thailand, and Brunei. Over time, similar agreements might be reached.

36 The author is grateful to William Tow of the University of Queensland for his analysis of realist and liberal approaches to Asian security.
37 This argument is made by the former president of the U.S.-based Asia Society, Robert Oxnam, in "Asia/Pacific Challenges," Foreign Affairs: The Year Ahead (1993) (72, 1), p. 73.
with Malaysia and Indonesia— incentives for Kuala Lumpur and Jakarta being additional business for some of their shipyards. These exercises should focus on assisting regional armed services in developing their own capacities to monitor and defend maritime and airspaces. The broader U.S. role would be one of patrolling the international waters and airspaces along the western Pacific littoral in collaboration with the region’s members.

(4) Finally, a sustained, though reduced, U.S. presence in Japan, Korea (for the time being), and along the sea and air routes of Southeast Asia probably inhibits efforts by Japan, China, or India to move their forces into the region to meet their own extended security needs. That is, reliance on an American presence dampens the prospect of a regional arms race and reduces the probability that Japan might add a military dimension to its economic dominance in Asia.

The era of Pax Americana has ended in Asia. New collaborative arrangements can, however, foster an international environment conductive to trade, investment, and economic growth. As a dominant trading state, the United States should be integral part of these new arrangements, though it may no longer dominate them.