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## Meeting 21st Century Security Challenges in Asia

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Asia is rife with major security challenges for the United States: from the unprecedented rise of China, to the North Korean nuclear weapons program, to Jemaah Islamiya's Southeast Asian terrorism, to the Indo-Pakistani conventional and nuclear rivalry—to name just a few.

A one-size military or defense policy is certainly not going to fit all of the defense and security challenges that the United States faces in Asia over the coming decades. Congress and Administration policymakers must take this into account as the United States develops its 21st century force structure and its defense and security policy.

### China

There is no doubt that the rise of China will have the greatest impact in defining and shaping the content and texture of the Asian security environment in the coming decades. In turn, China's ascendance will have a significant effect on American interests in Asia. In fact, some analysts see Beijing as being quite ambitious and believe that China seeks to replace the United States as the preeminent power in the Pacific—even globally.

Perhaps no development is more disconcerting than China's military buildup—a defense modernization program that is raising eyebrows both in Washington and across Asia. By some estimates, China now has the world's third-largest defense budget, after the United States and Russia, ranging from \$70 billion to \$90 billion per year.

### Talking Points

- Managing China's rise and maintaining peace and stability across the Taiwan Strait will be the greatest challenge for the U.S. and its allies in 21st century Asia.
- The Korean peninsula will be stable, but dangerous, as North Korea decides whether to go nuclear.
- A North Korean nuclear breakout may lead other states to develop nuclear weapons.
- India will become a major power across Asia, and a possible balancer to China's ascendance.
- Islamic terrorism will remain a problem in Southeast Asia, but will not topple governments.

This paper, in its entirety, can be found at:  
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Although analysts often disagree about the ranking of the Chinese defense budget due to China's lack of transparency on security matters, no one disputes that Beijing has the world's fastest growing peacetime defense budget. This spring, China announced a 13 percent increase in its defense budget, adding to more than a decade of double-digit increases in military spending.

In addition to a growing defense budget, Beijing will also develop a world-class defense industry within the next 10 to 15 years. Though it currently buys most of its advanced weaponry from Russia, including SU-27 fighters, Sovremenny destroyers, and Kilo-class diesel submarines, China is making progress on developing its own cruise missiles, fighters, submarines, and naval ships as the Chinese military-industrial complex develops. Further, a decision by the European Union to lift its current arms embargo against China will accelerate the modernization of the People's Liberation Army.

There is also a concern about the first-ever military exercises conducted by China and Russia in Asia last month. Whether this will develop into a military partnership or alliance is unclear. But there is also a possibility that Russia will sell additional advanced weapons systems to China, such as TU-95 Bear and TU-22 Backfire strategic bombers, which were reportedly featured during last month's exercises. Sales of these aircraft would significantly increase China's power projection capabilities.

### **The Taiwan Strait**

The immediate American concern is that China will try to use its new military might to pressure, intimidate, or coerce Taiwan, which Beijing considers a renegade province, to effect unification. In addition to Beijing's growing conventional military capabilities, according to a recent Pentagon report, China has as many as 750 ballistic missiles aimed at Taiwan to threaten its smaller democratic neighbor against declaring independence. Of course, many of these missiles are also capable of striking American forces stationed in Japan.

Unfortunately, the military balance of power across the Taiwan Strait has shifted decidedly in Beijing's favor in recent years. Taiwan's longstanding qualitative edge in military capability has dissi-

pated due to Beijing's unprecedented defense buildup as well as Taiwan's failure to keep pace with China's advances. This growing military capability gap across the Strait could send the wrong signal to Beijing, which may lead to misperception and miscalculation on China's part.

Strife—or even conflict—between the United States and China over Taiwan or any other matter is not a certainty by any means. China is changing rapidly; its future course as an international player is unclear. Much depends on the choices of China's leaders. Unfortunately, the emergence of a new power onto the international scene is often a disruptive occurrence. From the Peloponnesian War between Athens and Sparta to the Cold War rivalry between the United States and the Soviet Union, history is pocked with examples of direct—and indirect—conflict between rising and status quo powers such as China and the United States.

### **The Korean Peninsula**

Following the Taiwan Strait, the Korean peninsula is the most troubling source of potential conflict because it would directly involve American forces. Fortunately, the situation on the peninsula is quite stable in conventional military terms. The North Korean military is still large and quite dangerous, but its ability to sustain military operations for any militarily significant period is questionable. Pyongyang realizes that any offensive military operation against U.S. and South Korean forces would be a high-risk endeavor that would likely end in defeat. This means that with the exception of the nuclear issue, the military status quo on the Korean peninsula is likely to prevail for some time.

### **Southeast Asian Terrorism**

Despite a lack of visibility of late, Southeast Asian Islamic terrorism is still troubling and a threat to American interests in the region. Indonesia is no longer in denial about its problem from radical Islam, and has made significant, but often lurching, progress toward addressing the threat posed by al-Qaeda-affiliated or -inspired groups such as Jemaah Islamiya.

In the Philippines, especially the southern Philippine islands, al-Qaeda offshoots Abu Sayyaf,

Jemaah Islamiya, and the Moro Islamic Liberation Front are believed to be operating as well as training together. None of these groups—alone or in concert—are likely to be able to topple either the Indonesian or Philippine government, but there will be a continuing toll in terms of human and economic costs arising from terrorism.

### South Asia

The rise of India also bears attention. After China, India has the largest military in Asia with an armed force of 1.3 million—not to mention a nuclear weapons arsenal. Increasingly concerned about its security environment, India has augmented its defense spending by 33 percent in recent years. This is probably a reflection not only of India's economic development and traditional concerns about rival Pakistan, but also Delhi's increasing concern about the direction of China's rise.

At the moment, India does not necessarily see China as an imminent threat. Although they fought a 1962 border war that remains unresolved, the Sino-Indian relationship is stable and may even improve as economic and trade ties increase. Despite this, some Indians are increasingly wary of Chinese regional intentions, and nothing is more alarming to Delhi than China's security relationship with India's long-time rival and nuclear neighbor, Pakistan.

China provided significant assistance to Pakistan's conventional, ballistic missile, and nuclear weapons programs over the years. Today, China's continued cooperation with Pakistan on these issues remains a thorn in the side of Sino-Indian relations. India is also troubled by China's financing of a major port facility at Gwader in western Pakistan. Delhi fears that the Chinese navy will use the strategically located port (near the Persian Gulf) for future Indian Ocean naval operations in an area that India considers its sphere of influence.

In addition, while Indian strategists see China's military buildup as mainly directed at its neighbor Taiwan, they have taken careful notice of reports about Beijing building military airfields in south-western China near India and its presence in nearby Burma—both far from the Taiwan Strait. But by most accounts, Delhi is not interested in a confrontational relationship with Beijing at the moment, much less the notion of containing China.

### WMD Proliferation

Proliferation of weapons of mass destruction (WMD) will continue to be a challenge for the United States, especially in Northeast Asia. For instance, should North Korea decide to test a nuclear weapon, it is unclear what sort of effect it would have on the region. Although unlikely, it is possible that South Korea would move forward with a nuclear weapons program. Even less likely, but a possibility, is a decision by Japan to move forward with a nuclear weapons program in response to a North Korean test.

Considering their scientific, technical, and industrial bases as well as access to fissile material, it would not be difficult for Tokyo or Seoul to go nuclear. Their decision would also be predicated on the health of their security relationship with the United States, the state of missile defenses, and whether each felt protected by the American nuclear umbrella. A decision by Tokyo to join the nuclear club could also be precipitated by Japan's growing rivalry with China.

The same is true for Taiwan. Taiwan has the scientific and engineering capability as well as access to nuclear materials for a nuclear weapons program. Should it feel itself pressured sufficiently by China over the issue of unification or feel that the military gap is widening uncontrollably, Taipei might decide to move forward with its own nuclear weapons program, holding Chinese forces and major population centers hostage in a counterforce and countervalue strategy.

North Korea could also decide to proliferate its nuclear weapons material and/or technology off the Korean peninsula. It is unlikely that North Korea would transfer nuclear technology or materials to a terrorist organization. A more likely scenario would be for Pyongyang to assist Iran with its nuclear weapons program, which would augment North Korea's current assistance to Iran's ballistic missile program.

Weapons proliferation is a burr under the saddle of the U.S.-China bilateral relationship as well.

Over the years, Chinese firms have transferred WMD and missile components and technology to the likes of Pakistan, Iran, North Korea, and Libya. In the four years since the Bush Administration came into office, the U.S. government has sanctioned Chinese entities more than 50 times—mostly for WMD or missile-related transfers to Iran.

### Rivalries

The Sino–Japanese relationship is becoming increasingly contentious as China asserts itself in securing energy resources in Northeast Asian waters and Tokyo takes note of China’s military buildup. Japan is acutely aware that Okinawa, at the foot of the Ryukyu Island chain, is closer to Taipei than it is to Tokyo. Japan also understands that Taiwan, jutting 100 miles out into the Pacific Ocean, is a strategic piece of territory and that nearly 80 percent of its imported energy needs transit the Taiwan Strait en route to Japan. If current trends are any indication, the Sino-Japanese rivalry will only exacerbate over time, increasing tensions in Northeast Asia and the potential for an arms race between Tokyo and Beijing.

South Korea also has regional leadership aspirations. Though possessing a relatively small land mass and population in comparison to some of its neighbors, South Korea is an economic and military powerhouse. South Korea’s desire to develop a

regional role for itself separate from the United States, including power projection capabilities beyond the Korean peninsula, may create friction with neighboring powers China and Japan.

### Conclusion

Despite the current challenges of Islamic terrorism, Iraq, and Afghanistan, Asia is likely to define the history of American international relations more than any other region or transnational issue in this century. Policymakers had better take heed. Though this may sound like mere fantasy in light of current headlines, a look at the large populations, vast economic wealth, and sizeable militaries of Asia clearly shows the importance of the region to American interests.

For over 200 years, the United States has been a nation with interests in Asia. That has not changed. In fact, American interests have increased multifold since then, making it imperative that American defense and security policy and force structure be capable of meeting the challenges of “The Asian Century.”

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