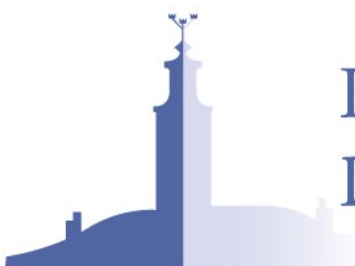


Security and Development in Asia

New Threats and Challenges in the Post-Postwar Era



Edited by
Bert Edström



Institute for Security &
Development Policy

Security and Development in Asia

New Threats and Challenges in the Post-Postwar Era

**Edited by
Bert Edström**

Institute for Security and Development Policy
Stockholm-Nacka, Sweden

Security and Development in Asia: New Threats and Challenges in the Post-Postwar Era is a *Monograph* published by the Institute for Security and Development Policy. *Monographs* provide comprehensive analyses of key issues presented by leading experts. The Institute is based in Stockholm, Sweden, and cooperates closely with research centers worldwide. Through its Silk Road Studies Program, the Institute runs a joint Transatlantic Research and Policy Center with the Central Asia-Caucasus Institute of Johns Hopkins University's School of Advanced International Studies. The Institute is firmly established as a leading research and policy center, serving a large and diverse community of analysts, scholars, policy-watchers, business leaders, and journalists. It is at the forefront of research on issues of conflict, security, and development. Through its applied research, publications, research cooperation, public lectures, and seminars, it functions as a focal point for academic, policy, and public discussion.

This publication is kindly made possible by support from the Swedish Ministry for Foreign Affairs. The opinions and conclusions expressed are those of the authors and do not necessarily reflect the views of the Institute for Security and Development Policy or its sponsors.

© Institute for Security and Development Policy, 2009

ISBN: 978-91-85937-60-8

Printed in Singapore

Cover Photo: Flooding in China 2007 / Dennis Kruyt, <http://www.flickr.com/photos/phantagom/2461366509/>

Distributed in Europe by:

Institute for Security and Development Policy
Västra Finnbodavägen 2, 131 30 Stockholm-Nacka, Sweden
Tel. +46-841056953; Fax. +46-86403370
Email: info@isdp.eu

Distributed in North America by:

The Central Asia-Caucasus Institute
Paul H. Nitze School of Advanced International Studies
1619 Massachusetts Ave. NW, Washington, D.C. 20036
Tel. +1-202-663-7723; Fax. +1-202-663-7785
E-mail: caci2@jhuadig.admin.jhu.edu

Table of Contents

Introduction	5
<i>Bert Edström</i>	
Taiwan: The Prevalence of Traditional Security Issues.....	23
<i>Arthur S. Ding</i>	
Peace-Building as a New Pillar in Japan’s Foreign Policy	50
<i>Lam Peng Er</i>	
Managing Threats in the Asia-Pacific Region: A New Role for the ASEAN Regional Forum (ARF).....	82
<i>Benny Teh Cheng Guan</i>	
Khans, Tsars and Emperors: The Changing Nature of Central Asia’s Security Spectrum.....	110
<i>Dan Burghart</i>	
A Regional Foundation for Handling New Threats?	126
<i>Niklas Swanström</i>	
The Changing Nature of the Race for Oil	143
<i>Ingolf Kiesow</i>	
Climate Change, Energy Security and China’s Development Dilemma	172
<i>Paul J. Smith</i>	
Some Thoughts on the Transformation of Armed Forces.....	190
<i>Karlis Neretnieks</i>	

Introduction

Bert Edström*

Asia in Focus

A heated debate was initiated in 1989 when Francis Fukuyama published his immediately famous essay “The End of History?” in which the author argued that the world had settled for liberal democracy after the end of the Cold War: “What we may be witnessing is not just the end of the Cold War, or the passing of a particular period of postwar history, but the end of history as such: that is, the end point of mankind’s ideological evolution and the universalization of Western liberal democracy as the final form of human government.”¹ The ensuing debate saw arguments for and against Fukuyama’s thesis. Some ridiculed his arguments as they – maybe deliberately – misinterpreted him and made him a strawman for the argument that events will stop occurring in the future; others took his reasoning seriously and adopted his ideas as a starting-point for penetrating analyses of modern history. If interpreted literally, however, the “end of history” thesis was hollow already when Fukuyama wrote it. History as we know it is a constant flow with no particular beginning and no particular end, but “history” is nevertheless used to denote a certain period or a particular chain of events.

Considerations brought to the fore by the debate over Fukuyama’s essay were pertinent for the conference “Security and Development in Asia: New Threats and Challenges in the Post-Postwar Era” that took place on June 2–3, 2008, organized by the Institute for Security and Development Policy (ISDP). As the title of the conference indicates, the geographical focus was Asia. This geographical entity is often written about as being a homogenous region. To use the concept of “region” for this part

* Dr. Bert Edström is Senior Research Fellow, Institute for Security and Development Policy.

¹ Francis Fukuyama, “The End of History?” *National Interest*, Vol. 16 (Summer 1989), p. 4.

of the world is questionable, however. Asia is vast, stretching as it does from Japan to the Middle East, and from the Arctic to the Indian and the Pacific Oceans. To point out that Asia is an area in flux, characterized by diversity and heterogeneity, verges on a prosaic observation. It is not easy to come to grips with the bewildering array of historical legacies, colonial imprints, regional disputes, and developmental disparities. It is also commonplace, but nonetheless equally important, to point out that interdependence and globalization have made an imprint. While Asia encompasses a large portion of the earth's surface, interdependence and globalization reduce the distance between countries and nations, peoples and individuals, friends and foes, serving to cause frictions and contentions as well as promoting mutual interests. To suspicions and fears based on lingering memories of a history marked by wars and conflict have been added disputes stemming from religious and ethnic factors, increasing nationalism, and unequal economic development, among others. It is no exaggeration to say that security threats and challenges seen as pertinent for Asia are relevant also in a global context, with events and developments on that continent having repercussions elsewhere.

Calamities and Compassion

The very complexity of Asia, and the unexpected way that events and developments sometimes take, was illustrated by the keynote speaker at the conference, Professor Ryosei Kokubun of Keio University, Tokyo. Holding up the front page of a large Japanese newspaper, he pointed to a picture of Japanese rescue workers sent to assist in relief efforts after the earthquake disaster that occurred on May 12, 2008, in the Chinese province of Sichuan. The photo was striking in that it depicted two rows of Japanese rescue workers in uniform quietly bowing to a dead child. The expression of mourning and quiet grief was plain to see and conveyed a powerful message. Also found on the front pages of Chinese newspapers, on orders from the authorities, this picture was immensely moving to readers and contributed to changing the widely-held negative image of Japan among the Chinese public. Also the fact that the Japanese rescue workers were the first to arrive at the scene of the disaster was bound to be noted by Chinese readers. As a nation afflicted by sometimes devastating earthquakes,

the Japanese were eager to help and, on this occasion, the Chinese authorities readily accepted assistance from Japan and other countries. Not only that, the Chinese authorities ensured that Japan was the first country to arrive to take part in the relief efforts. The fact that also Taiwan was allowed by the Chinese authorities to demonstrate its compassion by constituting the second group of rescue workers to arrive at the scene of devastation, illustrated in a compelling way the recent positive development in cross-Strait relations between the People's Republic and Taiwan.

The stance of the Chinese government towards international relief efforts after the earthquake served to strengthen international sympathy and solidarity and was decisive in defusing the widely-reported strains and tensions in China's relations with the outer world that had deteriorated that spring. The Sichuan earthquake thus inadvertently opened a new avenue for signaling China's interest in defusing strains in its relations with not only Japan and Taiwan but the world at large. This development was unexpected as just weeks prior to the earthquake, in March 2008, a series of protests had erupted in Tibet against the policies of the Chinese authorities, and when the protests turned violent, the authorities clamped down on them. People were reportedly killed and international media coverage was severely critical of the way in which the authorities handled the protests, with China at the time facing the prospect of athletes, or even countries, boycotting the upcoming Beijing Olympics. In early May, shortly before Chinese President Hu Jintao made the first visit by a Chinese head of state to Japan in ten years, the tense situation eased when the Chinese government accepted to open a dialogue with a delegation from the Dalai Lama, the spiritual leader of the Tibetan people.² The gesture by the Chinese government of willingness, if not to give in, at least to engage in talks was clearly to avoid the risk that widespread anti-Chinese demonstrations might occur during the visit, and pave the way for productive discussions with the Japanese. The conciliatory gesture was a continuation of efforts made by the Japanese and Chinese governments to improve Japanese-Chinese relations that had already resulted in high-powered visits

² "Fukuda, Hu put focus on future," *The Japan Times*, May 8, 2008.

by Prime Minister Shinzo Abe to Beijing in 2006 and by Prime Minister Wen Jiabao to Tokyo in 2007.

The contrast with the way in which the military government of Burma/Myanmar handled another natural disaster – Cyclone Nargis – that occurred ten days before the Sichuan earthquake could not have been greater. The strong tropical cyclone that hit the country was the worst natural disaster in its history – but in contrast to China the authorities were slow and unwilling to accept international assistance. Perhaps it was the international outcry and disgust that met the intransigence of the military dictators in Burma/Myanmar that influenced the Chinese leadership in its unprecedented openness after the Sichuan earthquake. Similarly, the North Korean regime has remained reluctant to open up to international aid despite the dire humanitarian situation in which much of the country has found itself in. In fact, the recent missile test launch and nuclear test have put North Korea in a position that risks isolating the country to an even greater extent than earlier policies have done.

The earthquake in China was a conspicuous event of a gross calamity and human misery but also one that brought to memory the comment made by Prime Minister Takeo Fukuda of Japan, in 1978, when members of the Japan Red Army hijacked an airplane taking the passengers and crew hostage. Fukuda announced that the Japanese government had accepted the demands of the terrorists in order to free the hostages: “Human life outweighs the earth.”³

Was it a sheer coincidence that China accepted help from Japan after the earthquake, and even made the latter the first country to be allowed to offer assistance, at a time when Takeo Fukuda’s son Yasuo was the prime minister of Japan? Takeo Fukuda earned a place in history among other things when as prime minister he signed the Japan-China Peace and Friendship Treaty in 1978, which improved what had been a strained and often tortured bilateral relationship. In Japanese conservative political circles signing the treaty with China was very controversial. Fukuda was probably correct when he claimed afterwards that he was maybe the only person who could have achieved this feat because of his ability to neutral-

³ Kiyomiya Ryu, *Fukuda seiken – 714 nichi* [The 714 days of the Fukuda cabinet] (Tokyo: Gyosei mondai kenkyusho, 1984), p. 130.

ize opponents to the treaty in the ruling Liberal Democratic Party who, by and large, were assembled around him and who knew that if he – well-known as a dedicated friend of Taiwan – signed the treaty, he would do so only if it was in Japan’s national interest.⁴ However firm his anti-PRC stance had been in the past, and however ingrained his anti-communist commitment, Fukuda is held in great esteem by China and this appreciation was extended to his son, Yasuo, who treasures his father’s deed and is known as a politician who favors good relations with China.⁵

Post-postwar

A second focus found in the title of the conference is that it dealt with the “post-postwar” era. Giving this concept a central place in the title of the conference was fairly natural given the intended *foci* of the conference. There is a need for pinpointing the reference point from which subsequent developments can be sited. One might say, as Forss and Marklund do, that “[b]y some measures, only when a country is no longer dominated by a conflict state of mind could a post-postwar era said to result,” only later to come to the view that “when to declare the end of a postwar era [is] a moot point.”⁶ It might be true that a new historical era has commenced but the decisive moment for its occurrence, the turning point, that makes it reasonable to make such a claim, might not be easy to discern or pinpoint. If there is a period called “post-postwar,” one needs to know which war is referred to and when the “postwar” ended. The war referred to is also most likely to differ depending on the historical perspective, which might differ from country to country, especially so in the part of the world in focus at the ISDP conference, with large-scale wars having taken place in

⁴ Fukuda Takeo, “Waga shusho jidai” [My time as prime minister], *Chuo koron*, (October 1980), pp. 293f.

⁵ Bert Edström, *Struggle, Strife, and Stalemate: Yasuo Fukuda and Present-day Japanese Politics*, Institute for Security and Development Policy Asia Paper (March 2008).

⁶ Alec Forss and Klas Marklund, *Security and Development in Asia: New Threats and Challenges in the Post-Postwar Era*, Report from the ISDP Conference held June 2–3, 2008, Stockholm, Sweden (Stockholm: Institute for Security and Development Policy, 2008), p. 5.

recent history, and historical issues being vital ingredients of a truly living history.

The concept of “post-postwar” presumes that the postwar period has ended and a new era has begun, that is, a break or, maybe, a turning point has occurred. But as has been demonstrated by history, there are what Maćiej Kanert has termed “real” and “apparent” turning points, and in a specific context it might be difficult to discern the precise drivers behind an alleged turning point.⁷ A case in recent history was seen when the triumphant George W. Bush announced on May 1, 2003, an end to major combat operations in Iraq and, in fact, claiming that the mission was accomplished. Five years later, reflecting on his presidency, this was one of the statements that he regretted for the simple reason that the decisive moment which he announced had been reached was evidently not such an event.⁸

In a sense, to bring to the fore a concept like “post-postwar” brings to memory a debate in Japan that started in the 1950s and has continued to linger, with occasional heated exchanges of opinions. In Japan, the debate of the concept of *sengo*, “postwar,” has a venerable place in its intellectual and political history; the demise of *sengo* has been announced regularly since 1956, when the literary critic Yoshio Nakano published his article “Mohaya ‘sengo’ de wa nai” [The “postwar” is already over]. Later that year his sentiment was echoed by the *Economic White Paper* published by the Japanese government using this phrase as its instantly famous subtitle.⁹ The basis for the claim brought forward in the White Paper was that Japan’s industrial production in 1955 had reached the prewar top level of 1939. The most famous case of the postwar period having been declared over, however, is linked to Prime Minister Eisaku Sato. To him, the return of the southern island of Okinawa, which had been occupied by the

⁷ Maćiej Kanert, “*Bukkyo Denrai*: The True Turning Point,” in Bert Edström, ed., *Turning Points in Japanese History* (Richmond: Japan Library, 2002), pp. 17–24.

⁸ “Bush: ‘I regret saying some things I should’t have said’,” *CNNPolitics.com*, November 11, 2008, <http://www.cnn.com/2008/POLITICS/11/11/bush.post.presidency/index.html> (downloaded March 5, 2009).

⁹ See, e.g., Kosai Yutaka, “Mohaya sengo dewa nai” [The postwar era is already over], in Arizawa Hiromi, ed., *Showa keizaishi* [An economic history of the Showa period] (Tokyo: Nihon keizai shimbunsha, 1977), pp. 375–77.

Americans since the end of the Second World War, became almost an obsession. After a visit to Okinawa in 1965 he declared: "So long as Okinawa does not return to its homeland, Japan's postwar period [*sengo*] will never be over."¹⁰ But, as the Japanese were soon to discover, nothing really happened when the United States handed over Okinawa to Japan in 1972. The huge U.S. military installations in Japan did not disappear from Okinawa or Sasebo, Yokosuka, Atsugi, Iwakuni, Kadena, Futenma, Misawa, and the other military bases that the United States maintained – and still maintains – in Japan. Can it really be claimed that the *sengo* period is over for Japan with these bases on its soil? And, while Okinawa was returned to Japan in 1972, the "Northern Territories" – the four islands that the Soviet Union took at the end of the Second World War – are still in Russian hands, which has hindered Japan and, first, the Soviet Union, and, then, Russia, from signing a peace treaty. As long as this issue is not settled, no Japanese would agree in earnest that "the postwar era" is over.

Nevertheless, and notwithstanding its Eurocentrism, the concept of "post-postwar" takes its reference point in the sea change in international politics that the end of the Cold War constituted. It meant the demise of the "postwar" period as was signalled by the Soviet leader Mikhail Gorbachev and U.S. President George H. W. Bush at their summit meeting in December 1989, one month after the fall of the Berlin Wall. The Chinese concept, on the other hand, has two meanings where one is more regional and focused on the termination of the war against Japan and the national liberation, and the second is more clearly focused on the end of the Cold War and the emergence of a more potent China in the world order. The regional definition has increasingly played out its role as China's territorial integrity and geopolitical role has been secured and the "modern" definition of postwar has become increasingly predominant.

Illusory Unipolarity?

With the end of the Cold War, a new trait in the international system was seen to have emerged. In the United States, in particular, the dissolution of

¹⁰ Nampo doho engokai, ed., *Okinawa fukki no kiroku* [Records of the Okinawa return] (Tokyo: Bunshodo, 1972), p. 668.

its erstwhile archenemy Soviet Union and the dwindling power exhibited by its successor Russia made the U.S. the undisputedly pre-eminent world power. It was “the only country with the military, political and economic assets to be a decisive player in any conflict in whatever part of the world it chooses to involve itself.”¹¹ A view emerged that the gap in power between the U.S. and other countries was so unprecedented that it was an international structure unique to modern history – unipolarity.

With the benefit of hindsight, the sharp break seen to have been instituted by the end of the Cold War and/or the outcome of the 1991 Gulf War was illusory as a turning point. As revealed by developments subsequent to these presumed turning points of modern history, it is continuity rather than change that has been the predominant characteristic. The overhaul that these events were thought to mean was no such thing. Elements of change and continuity are intertwined, events complex, developments multi-layered. Not least for Asia this is the case. The end of the Cold War did not mean that peace broke out in East Asia. In 1993 Ryosei Kokubun pointed out what is today only too apparent: while the Cold War might be over in Europe where the Soviet collapse unleashed a wave of democratization in Eastern Europe, the tense situation continued in East Asia with strained relations between China and Taiwan, the uncertain future of the divided Korean Peninsula, the difficult Cambodia problem, the serious encroachment on human rights in Myanmar, and the uncertain future of East Timor, etc.¹² Kokubun made his observation shortly after the Cold War was seen to be over and, in important respects, his description of the situation prevailing at the time remains true; while, in others, the situation is now different. The fact is that a number of thorny issues still remained when the Cold War was declared over, which resulted in the possibility of conflicts, disputes, and war breaking out. The legacies of the Cold War are

¹¹ Charles Krauthammer, “The Unipolar Moment,” *Foreign Affairs* Vol. 70, No. 1 (Winter 1990/91), p. 24.

¹² Kokubun Ryosei, “Higashi Ajia ni okeru reisen to sono shuen” [The Cold War in East Asia and its last moments], in Kamo Takehiko, ed., *Ajia no kokusai chitsujō: Datsureisen no eikyo* [The Asian international order: The impact of the departure from the Cold War] (Tokyo: Nihon hyoronsha, 1993), p. 60.

still very much present in Asia as Benny Teh and Niklas Swanström note in their contributions.

The shift to the situation where unipolarity was seen as a key trait of international affairs can be pinpointed but not so its demise. Somewhere along the way unipolarity evaporated, and its disappearance can be linked to policies pursued by the United States. In hindsight, the fallacy of U.S. policymakers was the hubris that gripped neo-cons who drew the maps for U.S. policies and decided on actions to be taken. In the wake of the triumph over Saddam Hussein in 1991, when Kuwait was liberated by a UN force led by the United States, the U.S. saw that resounding victory as a victory over forces threatening the West.

On the surface, the action taken against Iraq in 1991 was swift and decisive. But considering subsequent developments, it is only too obvious that the problems remained unresolved. *Post festum*, two aspects of this event are worth pointing out. First, the action taken against the Iraqi regime was internationally legitimate since it was authorized by the United Nations Security Council but was also sophisticated in that the United States was heading a coalition force from several countries sharing the burden of the war effort. Second, the war demonstrated that a country with such overwhelming military capabilities as the United States could put up soldiers and other military means on a vast scale and shouldering the burden of leadership albeit when and if the economic burden was carried by other countries. According to one estimate presented by two advisors to President George H. W. Bush, the United States received contributions of US\$53.7 billion while the total cost of the war amounted to US\$61.1 billion, which indicates that the 1991 Gulf War was not a heavy economic burden for the United States.¹³ Later wars have not had such economic support and have been much more of an economic burden to the United States.

¹³ William Diefenderfer and Robert Howard, "How to Fund a War," *The American Legion*, February 1, 2009, <http://www.legion.org/magazine/2484/how-fund-war> (downloaded March 5, 2009). This is only one among many estimates of the financial burden of this war.

Security in Question

After the demise of the Cold War bifurcation of the world an era of peace seemed to be in the offing. This was not to materialize, however. The 1990s turned instead into an era characterized by astounding economic development, on the one hand, but also conflict, war, and famine, on the other. Ours is a time in which hundreds of millions of people have escaped poverty while, at the same time, hundreds of millions of others continue to live on the brink of disaster. It is a paradox of history that wars and conflicts continue to rage when the world is said to have left what is called the postwar period, even if it is true that inter-state conflicts have decreased in intensity albeit, on the other hand, we are faced with many more conflicts today than previously. Is this to change? A simple rule in mathematics is that a negative number multiplied with another negative number results in a positive number. Applying this simple logic would indicate that the post-postwar period – the period that succeeded the postwar period – is a period of war or a precursor to such. Indeed, one of the participants at the ISDP conference claimed that we are witnessing a prewar era.¹⁴

During the Cold War, the cleavage of the world into two opposing and hostile blocs with neutral countries sandwiched in between seemed engraved into the very fabric of the international system. The irony was that at the same time as this split was dangerous, it, in a sense, offered a semblance, even if false, of security.¹⁵ Once the bifurcation of the international system had been dismantled, it dawned that the threat of a nuclear holocaust had masked other threats to security. The end of the Cold War and the advent of the unipolar world provoked a discussion of the very concept of security and what constituted threats to security. The concept of security itself became a bone of contention in the international security debate, which is amply reflected in the contributions to this volume.

In much of the discussion of security issues found in the contributions to the present volume, the approaches to security deal with several levels. The perceived need for broadening the concept of security became

¹⁴ Forss and Marklund, *Security and Development in Asia*, p. 27.

¹⁵ Virginia Carmichael, *Framing History: The Rosenberg Story and the Cold War* (Minneapolis: University of Minnesota Press, 1996), p. 126.

apparent in the initial part of the post-postwar period, when it was seen as evident by many to focus much more on non-military threats than was the case during the Cold War period. The contributions illustrate that security is viewed “as involving coping with potential threats to and the establishment of conditions conducive to the promotion of core values cherished by individuals and communities.”¹⁶ This is in the aftermath of Barry Buzan’s seminal *People, States and Fear* (1983) in which the author argues for a holistic security concept, basing himself on Kenneth Waltz’s three levels of analysis: the individual, the state, and the international system. Security at these levels cannot be analyzed separate from each other; it is “in the nexus between them that we find the real substance of the national security problem...Taken by themselves, they produce an image of the security problem that is so distorted as to be more misleading than helpful...the full richness and meaning of the concept is to be found in the interplay between them.”¹⁷

With the passing away of the bifurcation of the world order and the overarching threat of nuclear war, the security landscape became blurred, perceived threats many and variegated. The wide span of security issues is illustrated by the view taken in the Taiwanese *2006 National Security Report* referred to in Arthur Ding’s contribution, according to which the new security issues

include the rise of China economically and militarily; Japan’s seeking of “normal” status, and subsequent competition and cooperation between China and Japan; the September 11, 2001 terrorist attack, and subsequent coalition and competition among major powers; globalization in the spheres of economy; transnational crime; climate change; water shortage; over-fishing; environment protection; pandemic disease; drug trafficking; widening gap between rich and poor; as well as Taiwan’s domestic development as results of political demo-

¹⁶ Erik K. Stern, “Bringing the Environment In: The Case for Comprehensive Security,” *Cooperation and Conflict*, Vol. 30, No. 3 (1995), p. 216.

¹⁷ Barry Buzan, *People, States and Fear* (Brighton: Wheatsheaf Books, 1983), pp. 245ff.

cratization, demographic change, close economic linkage with China, and economic growth and over-development.

To me as one of the organizers of the ISDP conference, the focus on the truly vast scope of security issues and threats to security was illuminating, and reconfirmed conceptions of security which had been pioneered by UN Secretary-General Boutros Boutros-Ghali in his report *An Agenda for Peace* (1992) in which he argues that threats to global security are not only military in nature and that a broadened definition of security has to include also environmental, health, demographic, economic, and political aspects. According to him, it is the individual rather than the state that should be the focus of security.¹⁸ This approach to security was elaborated on in a landmark report issued in 1994 by the United Nations Development Programme (UNDP) which presented a thought-provoking debate on a new security concept, human security, which was to loom large in the international security debate, and which surfaces in a number of the contributions to this report. Human security was seen as an alternative, or indeed complement to the traditionally predominant security concept, national security. The introduction of human security means a shift of security referent. While national security is a state-centric concept with the nation-state or country as the security referent, human security is human-centered, with people as individuals or community as the security referent.

The Prevalence and Pervasiveness of New Threats

Both individually and taken together, the contributions in this report illustrate the pertinence of Buzan's and Boutros-Ghali's approaches. For a while after the terrorist attacks on September 11, 2001, approaches to security saw a full-scale retreat to hard core national security thinking, but when the ISDP conference took place in June 2008 the hard core security thinking that had dominated thinking on security affairs had started to recede, and the threats to security that were brought up in contributions

¹⁸ Boutros Boutros-Ghali, *An Agenda For Peace: Preventive Diplomacy, Peacemaking and Peace-Keeping*, June 17, 1992, UN A/47/277 – S/24111, §16, <http://www.un.org/Docs/SG/agpeace.html> (downloaded September 5, 2005).

and discussed during the sessions were many and variegated and belonged to the category of “new” threats that had come into focus in the 1990s. The prominence of a plethora of new threats should not be a surprise, given the aim of the conference. But it also reflected a development seen for war as a human pursuit. As has been clarified by Peter Wallenstein and other peace researchers, and reiterated by Lam Peng Er in his contribution to this volume, intra-state conflict (especially ethnic strife) has outstripped inter-state wars in frequency and the number of civilian casualties. War is a nasty business and the prominence that human security aspects of security gained in the 1990s reflected the fact that war had acquired a new and ugly face.¹⁹ With the twentieth century nearing to an end, UN Under-Secretary-General and Special Representative of the Secretary-General for Children and Armed Conflicts Olara A. Otunnu described the situation that had emerged in the 1990s:

Over the last decade, 2 million children were killed in conflict situations, over 1 million were made orphans, over 6 million have been seriously injured or permanently disabled and over 10 million have been left with grave psychological trauma. A large number of children, especially young women, have been made the targets of rape and other forms of sexual violence as a deliberate instrument of war. At the present moment, there are over 20 million children who have been displaced by war within and outside their countries. Some 300,000 young persons under the age of 18 are currently being exploited as child soldiers around the world. And approximately 800 children are killed or maimed by landmines every month.²⁰

In some cases the discussion at the ISDP conference was couched in human security terms, albeit not always, but directly and indirectly presentations and exchange of views during the conference were a reminder of

¹⁹ See, e.g., Mary Kaldor, *New & Old Wars: Organized Violence in a Global Era* (Cambridge: Polity Press, 2006).

²⁰ Olara A. Otunnu, “Promotion and Protection of the Rights of Children: Introductory Statement,” United Nations General Assembly, Third Committee, October 27, 1999, http://www.iansa.org/issues/GA99_statement.pdf.

the key role that human security aspects has had in the debate on security after the publication of the seminal UNDP report in 1994. Human security is a global and inclusive concept dealing with issues of a universal concern for which national boundaries are irrelevant like poverty, terrorism, drug trafficking, environmental degradation, illegal immigration, and AIDS, etc. If factors like these are perceived as threats to security, it is only too apparent that instruments traditionally employed in national security policy – like soldiers and weapons – will not be useful or, even, may impinge upon human-oriented conceptions of security.²¹ This became very clear with the war in Afghanistan and the invasion of Iraq and subsequent war that turned parts of Asia into war zones. But instead of bringing the human security concerns even more solidly in focus, after having loomed large on the international security agenda since the mid 1990s, such concerns seemed to have receded into the shadows after the launch of the “War on Terror.”

In the contributions to this volume, the prevalence of new threats to security is very much in focus. What constitute these perceived new threats differ in the various contributions but the authors are united in their view that Asia is one of the parts of the world where new security threats have risen dramatically in prominence. The line-up of “new” threats amply illustrate the shift away from considerations centering on national security. On the other hand, as Niklas Swanström points out in his contribution, while “very few of the challenges are new in any sense of the word, they nonetheless have reemerged in the minds of people in the region and the intensity of the problems has increased.” At the same time, the “old” threats have not disappeared, and Swanström also notes that “Northeast Asia is one of the most militarized regions in the world with the U.S., China, North Korea, and Russia all armed with nuclear weapons. Serious tensions therefore still remain in the traditional security field with comparatively little attention accorded to non-traditional security concerns, the exceptions being economic development and energy security that have risen in importance as security concerns.”

²¹ UNDP, *Human Development Report 1994* (New York: Oxford University Press, 1994), pp. 37–40.

In a sense, the situation resembles the one prevailing during the Cold War when the nuclear threat decreased awareness of other types of threats. Now, in the post 9/11 era, the pervasiveness of the barrage of “new” threats on the international security agenda has made the nuclear threat recede into the background. Indeed, the threat posed by nuclear weapons is arguably even more acute than during the Cold War, with a number of new nuclear powers such as unstable Pakistan, openly bellicose North Korea, and an international outlier like Iran said to be on its way to acquiring them. Furthermore, one of the most alarming prospects today is that a terrorist group lays its hands on a nuclear device, with developments in Pakistan and Afghanistan showing the distinct possibility of such a horror scenario materializing.

Transnational Threats vs. Security Cooperation

Several of the authors discuss the fact that many of the perceived new threats to security are transnational. Many of what are seen to constitute “new” threats know no borders – like pollution; others do not respect them – like organized crime. This fact has implications for how they can be handled in that, in order to be effective, it is not enough for one actor to act alone but measures must be taken jointly with others. As Forss and Marklund note, the absence of effective cooperative structures between states actually facilitates and exacerbates transnational phenomena of organized crime, narcotics, and environmental problems, with the only solution to tackle this coming through effective regional level organizations.²² The transnational nature of many perceived threats thus makes the need and necessity of cooperation acute. In some cases, such as climate change that Paul Smith deals with in his contribution, the threat is such that countermeasures have to be truly multilateral, that is, global.

In other cases, like organized crime or trafficking, cooperation is needed on a lesser scale in the way discussed by Niklas Swanström in his contribution on the regional foundations for handling threats, and by Benny Teh in his analysis of the ASEAN Regional Forum (ARF). As pointed out by Teh, threats to security such as terrorism, piracy, and orga-

²² Forss and Marklund, *Security and Development in Asia*, p. 8.

nized crime have to be countered through regional cooperation, not least because of the increased migration that is accompanying globalization. The problem is that such cooperation, however necessary for effective handling of the new threats, is not easily organized and, even, often fails to occur. The reasons are often, as Niklas Swanström notes, “due to a lack of trust and common interests, but also since many states view the new security challenges as internal problems.” Equally important is, of course, that countering such threats may impinge on what have long been principles seen as inviolable by many governments – sovereignty and non-interference. One of the troublesome aspects of making human security a key consideration in security thinking is that steps taken to ensure national security by a government or regime might threaten, impair, or even annihilate human security; while, in another situation, ensuring national security may be prerequisite for human security.

The contrast between the steps taken towards institutionalizing cooperation in Northeast and Southeast Asia is informative. As noted by Niklas Swanström in the case of Northeast Asia, “a significant obstacle is that there is very little trust between the actors in the region, and the likelihood of an effective regional mechanism being institutionalized seems fairly remote.” China and Japan are international actors with ambitions, and until quite recently, these ambitions have tended to clash and breed friction and confrontation. In Southeast Asia, regional cooperation has been institutionalized in various forms, and regional structures have been relatively successful in dealing with non-traditional security threats and in preventing military conflicts, as he also notes. Given the region’s war-torn past, this is no mean achievement. One reason for this might be that no great power in the region dominates; while Indonesia is the largest country in Southeast Asia, it cannot be said to be a regional great power. This does not mean that the region is free from the meddling of great powers. On the contrary, the history of this part of the world has been formed very much by the great power play, only that the great powers have not been members of the region but outsiders.

In his seminal 1995 article about security studies after the end of the Cold War, David A. Baldwin pointed out that many of the nonmilitary threats that had emerged as key problems on the security agenda, like en-

vironmental protection, promoting human rights and democracy, and promoting economic growth “are not amenable to solution by military means. To the extent that this is true, traditional security studies has little relevance.”²³ Only six years later, the action taken by the United States against the perpetrators of the “9/11” terrorist attacks seemed to make his view obsolete, since the imminent and acute threats to security were reacted to with military means. One indicator of the changed international security climate was that when the UN-commissioned Commission on Human Security met for the first time after “9/11,” in Tokyo in December 2001, this meeting was entitled “Human Security and Terrorism – Diversifying Threats under Globalization – From Afghanistan to the Future of the World.”²⁴

At the time of writing, eight years have elapsed, and Baldwin’s view is no longer obsolete but, instead, very much to the point. The lack of success that the military approach has experienced in tackling the “new” security threats is now only too obvious. During the Cold War nuclear weapons were seen as the ultimate power resource but the paradox was that they were so destructive that they could not be used. In a nuclear war, there are no winners – the insight carrying the proposal for “common security” that was launched by the Independent Commission on Disarmament and Security Issues (1982). Similarly, the attacks on the World Trade Center and the Pentagon in 2001 proved the capability of non-state actors to cause fear and destruction, and events and developments have subsequently demonstrated the capability of even tiny and seemingly powerless organizations and actors to wreak havoc on a tremendous scale. Accordingly, the wars in Iraq and Afghanistan demonstrate that new actors may have debilitating effects on security not only on the individual level but also on a much more extensive scale. Their ability to do so shows the problems for nation-states, on their own or in coalition with others, to prevail in conflicts by applying traditional means and instruments in situations where the challenges derive from “new” threats. It is a paradox that when

²³ David A. Baldwin, “Security Studies and the End of the Cold War,” *World Politics* Vol. 48, No. 1 (October 1995), p. 130.

²⁴ Ministry of Foreign Affairs of Japan, “Human Security”, http://www.mofa.go.jp/policy/human_secu/index.html

the United States was seen to qualify as the sole superpower after the “defeat” of its erstwhile competitor, the Soviet Union, it had been conclusively demonstrated that possessing technologically advanced military power does not always make a country prevail – there is an “illusion of omnipotence.”²⁵ As is noted by Karlis Neretnieks in his contribution, “Today we see the limitations of technology when it comes to fighting urban guerillas; the traditional foot soldier has become a decisive instrument again.”

Underlying many of the pertinent views heard during the conference and reflected in the analysis in contributions to this volume is the human-centered approach to security. But as is readily apparent in the contributions, this focus on the human security aspects of security does not mean that traditional national security aspects have become obsolete. On the contrary, it is eminently clear that national security and human security are concepts that are complementary and not exclusionary.

Since the ISDP conference took place in June 2008, the international climate has changed with the threat of an existential nature, climate change, joined by the ongoing international economic crisis. Climate change is, as Paul Smith notes in his contribution to this volume, “emerging as one of the key developmental and security challenges of the twenty-first century, the long-term effects of which have been compared to nuclear war.” In this situation the need for international cooperation is only too obvious and has been forthcoming in many ways and on a number of fronts. Amidst the plethora of disturbing events in Asia with wars and insurgencies, poverty and inequality, historical grievances and modern power struggles, and so on, it is nonetheless the trend towards increasing cooperation and collaboration that stands out. This was one of the lessons to be learnt from Asian experiences that were in focus at the ISDP conference.

²⁵ Nagai Yonosuke, *Heiwa no daisho* [The price of peace] (Tokyo: Chuo koronsha, 1967), p. 73.

Taiwan: The Prevalence of Traditional Security Issues

Arthur S. Ding*

For a long time, the concept of “national security” focused on military security. From the 1970s and 1980s onward, however, increasing importance has been attached to the idea of “comprehensive security.” This trend has become even more evident since the September 11, 2001, terrorist attacks. As globalization continues to bring dramatic economic, social, and cultural changes, unconventional security issues have also demanded greater attention. Taiwan’s national security is now threatened in the areas of economy, finance, energy, epidemic prevention, population, information, land conservation, ethnicity, and national identity. Generally speaking, China poses the greatest challenge to Taiwan’s national security. Other perils come as a result of globalization and internal changes.¹

Entering the post-Cold War era, many new security issues emerged in the international security field. The new security issues are comprised of a range of threats, from transnational crime, human trafficking, nuclear proliferation, international terrorism, smuggling, all the way to climate change. The transnational nature of the threats is the common characteristic of these new security issues. Many terms have been used to portray these new security issues.²

* Arthur S. Ding is Research Fellow, China Politics Division, Institute of International Relations, National Chengchi University, Taipei, Taiwan.

¹ 2006 *National Security Report* (Taipei, Taiwan: National Security Council, May 20, 2006), pp. 2–3.

² Many terms, such as comprehensive, cooperative, common, and human security, have been used to capture these new security issues, but each term only covers certain aspect of the issues. For instance, “human security” focuses on human aspects such as economic, food, health, environment, and political security while international terrorism and nuclear proliferation are left out. See, e.g., Roland Paris, “Human Security: Paradigm Shift or Hot Air,” *International Security*, Vol. 26, No. 2 (Fall 2001), pp. 87–102. “Common security,” a state-centric concept, implies that one country’s security is closely tied to other countries’ securi-

Unlike traditional security issues which, centering on military means, rely on balance of power and alliance building in the context of zero-sum competition, the new security issues emphasize cooperation among nations, particularly to tackle security threats of a transnational nature. Also, balance of power and alliance building are de-emphasized, being replaced by a regime building mentality of transnational cooperation for the common good.

Nevertheless, amid the rising new security issues, traditional security issues remain unabated. The Taiwan Strait, along with the Korean Peninsula and the South China Sea, are still major flash points in East Asia. Despite the trend of increasing calls for enhanced cooperation to tackle transnational problems, political tensions of a traditional security nature in the Taiwan Strait have worsened, and both China and Taiwan have been involved in another round of zero-sum competition. Traditional security issues are trumping calls for cooperation, thus limiting the potential for achieving mutually beneficial outcomes.

This paper has three purposes: to illustrate Taiwan's rising awareness of new security issues in the post Cold-War era; to explain why a traditional security perception has prevailed in the past decade despite this rising awareness; and to conclude by projecting a continued, though less confrontational, political difference between China and Taiwan in the future.

Rising Awareness of New Security Issues

Similar to what happened in other parts of the world, the end of the Cold War was a turning point for Taiwan's security. Prior to it, there was only one security concern for Taiwan, the military threat posed by China attempting to re-unify Taiwan through the use of armed force.³ The way

ty, and real security can be realized only if all countries concerned can be taken care of. See Andrew Butfooy, *Common Security and Strategic Reform: A Critical Analysis* (New York: St. Martin's Press, 1997).

³ China's policy toward Taiwan changed after the economic reform had started in 1978 and the idea of re-unification by force had been dropped and peaceful re-unification under "One Country Two Systems" was endorsed. For an analysis of Taiwan-China relations during this period, see Richard Bush, *Untying the Knot:*

Taiwan addressed this threat was through a traditional balance of power: to join the U.S. led alliance system and to procure arms from the U.S. to buttress Taiwan's military capability. "New security" issues did not exist during this period.

Entering the new era, security issues became multi-dimensional in Taiwan, and there was a rising awareness in new security issues. The Taiwanese government's official document, *2006 National Security Report*, best exemplifies this awareness. According to the Report, the new security issues include the rise of China economically and militarily; Japan's seeking of "normal" status; and the subsequent competition and cooperation between China and Japan. Other new security issues include the September 11, 2001 terrorist attack, and the subsequent coalition and competition among major powers; globalization in various spheres of the economy; transnational crime; climate change; water shortage; over-fishing; environmental protection; pandemic disease; drug trafficking; and the widening gap between rich and poor. Finally, new security issues also arise concerning Taiwan's domestic development as a result of political democratization, demographic change, close economic linkage with China, and unsustainable economic growth and over-development.⁴

China's rise and its military buildup have been Taiwan's number one concern in terms of threat perception, and both have put Taiwan in an unfavorable situation. China's rise has enabled it to project its influence regionally and globally; conversely, the influence of the U.S. and Japan has perceptively waned. Taiwan's national security is likely to be compromised, and in this context, Taiwan's diplomatic room for maneuver will possibly be further squeezed.⁵

China's military buildup helps project its influence. In the past decade, the investment priority of the Chinese military has been placed on

Making Peace in the Taiwan Strait (Washington, D.C.: Brookings Institution Press, 2005), pp. 1–27, and Denny Roy, *Taiwan: A Political History* (Ithaca, NY: Cornell University Press, 2003), chaps 3–5.

⁴ This paragraph is drawn from *2006 National Security Report*, pp. 7–32. This awareness can also be found in non-official publications, such as Yu-zhou Ding, et al., *Taiwan anquan zhanlue pinggu, 2004–2005* [Taiwan security 2004–2005] (Taipei: Prospect Foundation, 2005).

⁵ *2006 National Security Report*, pp. 49–52.

developing air force, navy, and ballistic and cruise missile units; along with the command/control/communication/computer intelligence surveillance and reconnaissance (C4ISR)/information warfare capability.⁶ These priorities reflect China's goal of being able to execute long range precision-strike high-intensity operations to completely paralyze Taiwan's defense, immediately after a military operation is launched, simultaneously launching a sea denial operation blocking U.S. ships from approaching the Taiwan Strait.⁷

Various non-traditional security issues have become prominent, maritime issues being one of them. This includes the maritime territorial dispute in the East and South China Seas, which has involved China, Japan, Vietnam, the Philippines, Malaysia, and Indonesia over maritime resource exploration⁸ and fishing rights. Smuggling, human trafficking, as well as potential attack against oil cargoes, port facilities, and economic infrastructures by terrorists are also potential challenges. Environmental pollution and climate change are included in consideration of maritime issues.⁹

⁶ For a typical study of this kind, see Mark A. Stokes, *China's Strategic Modernization and Its Implications for the U.S.* (Carlisle, PA: U.S. Army War College Strategic Studies Institute, 1999), and U.S. Department of Defense, *Military Power of the People's Republic of China 2008*, http://www.defenselink.mil/pubs/pdfs/China_Military_Report_08.pdf (accessed July 22, 2008).

⁷ For China's military buildup and threat to Taiwan, see *2006 National Security Report*, pp. 35–43.

⁸ For an instance on Sino-Japanese territorial dispute and resource exploration in East China Sea, see Arthur Ding, "China's Energy Security Demands and the East China Sea: A Growing Likelihood of Conflict in East Asia?," *The China and Eurasia Forum Quarterly*, Vol. 3, No. 3 (November 2005), pp. 35–39.

⁹ *2006 National Security Report*, pp. 44–48. For a more comprehensive analysis on non-traditional security threat posed to Taiwan, see Bei-lei Zhu, "Liang'an jiaoliu yansheng de zhian wenti: Feichuantongxing anquan weixie zhi gainian fenxi" [Cross-Strait Interaction derived public security: A conceptual analysis on non-traditional security threat], *Mainland China Studies*, Vol. 46, No. 5 (September/October 2003), pp. 21–53, http://iir.nccu.edu.tw/index.php?include=journal&mode=view&kind=2&date_start=&month=&volume=46&number=5&submit=%E9%80%81%E5%87%BA (accessed July 25, 2008), and Bei-lei Zhu, *Liang'an jiaoliu de feichuan tongxing anquan* [Non-traditional security in the context of cross-Strait interaction] (Taipei: Prospect Foundation, 2005).

Economic and financial security is another field of growing concern.¹⁰ This concern includes the inability to upgrade and transform Taiwan's economy in the wake of rising international competition, and also extreme dependence on imported energy, which accounts for more than 97 percent of Taiwan's needs. The risk of a disruption of supply has heightened amid rising oil prices and potential terrorist attacks, and also in the context of a rising budget deficit which accounted for 46 percent of the GDP in 2005; also noteworthy is an excessive dependence on the Chinese market in terms of trade and outbound investment (exports to China in 2005 accounted for 38 percent of total exports, while China-bound investment accounted for 71 percent of total outbound investment.) Lack of international competition in Taiwan's banking sector, furthermore, as well as the inability to reform Taiwan's agricultural sector have all played a role in creating the changing security framework.

Demographic structure has implications for long term threat perceptions.¹¹ Taiwan has turned into an aging society with those over 65 years old accounting for 10 percent of the total population in 2006, and this figure is expected to rise to 37 percent in 2016. At the same time, the fertility rate has dramatically declined, standing at 0.9 percent in 2006. It is expected that, in 2018, Taiwan will have negative population growth; furthermore, that the total population will drop to 18.8 million in 2050 from 23.2 million in 2018. The prediction of declining population size will impact the economy, the retirement system, the health care system, and the overall financial system as well as family structure.¹²

On the other hand, a large number of foreigners have moved to Taiwan since the 1990s,¹³ and social problems have been created in the

¹⁰ 2006 *National Security Report*, pp. 53–59. For a related analysis, see Ding, et al., *Taiwan anquan zhanlue pinggu, 2004–2005*, pp. 57–74.

¹¹ 2006 *National Security Report*, pp. 60–62.

¹² Song-lin Chai, "Renkou gemin: Taiwan renkou zhuanxing de weixian yu jihui" [Revolution in population: Danger and opportunity in Taiwan's population transformation], http://info.tcu.edu.tw/hot_news/atth/970401015/123456.doc (accessed July 25, 2008).

¹³ Foreigners are composed of foreign labors (most of them came from Southeast Asia while the remaining from China) and foreign brides (including those coming from Southeast Asia and China).

process. According to statistics of the National Police Administration (NPA), as of December 2006, more than 306,000 Southeast Asian laborers lived in Taiwan. It is very likely that without legal status, those losing contact may have possibly been engaging in illegal criminal activities for survival. In addition, more than 13,700 illegal foreign laborers were arrested in 2006, an increase of 31.99 percent compared to the figure for 2005.¹⁴

In addition to the influx from Southeast Asia, China has been a major source of illegal immigrants. According to NPA statistics, a total of 158 fishermen disappeared in Taiwan in the past decades,¹⁵ and the number of illegal Chinese immigrants arrested were 1,772, 1,527, 1,469, 2,032, 3,458, 1,783, 1,113, and 834 since 1999 through 2006.¹⁶

Another aspect of the increased numbers of foreigners is the issue of foreign brides. As of October 2006, there were a total of 133,160 foreign brides from Southeast Asia, of whom 47,885 have obtained Taiwanese citizenship and the remaining 85,275 kept their home country citizenship. The number of those married to Taiwanese from China has reached 246,699, of whom 40,071 have obtained Taiwanese citizenship.¹⁷

The problem is that not enough resources have been invested in effectively absorbing the abovementioned groups, and so, without professional skills, their social and economic statuses are low, and the possibility that they will commit crime is high.¹⁸

¹⁴ National Police Administration (NPA), *Jingzheng tongji tongbao* [Bulletin for the statistics of the Police Administration], No. 12, 2007 (March 21, 2007), <http://www.npa.gov.tw/NPAGip/wSite/public/Attachment/f1173923467971.doc> (accessed August 1, 2008).

¹⁵ Fisheries Agency, "Tuotao shangwei qihuo zhi dalu chuanyuan ziliao" [Personal information of Chinese fishermen who escaped and remained at large], <http://www.fa.gov.tw/chn/organization/frinfoc/escmlfm/esc-mlfm.xls> (accessed August 5, 2008).

¹⁶ NPA, *Jingzheng tongji tongbao*, No. 8, 2007 (February 21, 2007), <http://www.npa.gov.tw/NPAGip/wSite/public/Attachment/f1171271131783.pdf> (accessed August 1, 2008).

¹⁷ NPA, *Jingzheng tongji tongbao*, No. 49, 2006 (December 6, 2006), <http://www.npa.gov.tw/NPAGip/wSite/public/Attachment/f1164866630040.doc> (accessed August 1, 2008).

¹⁸ Ding, et al., *Taiwan anquan zhanlue, 2004–2005*, p. 113.

Identity and ethnic relations have also been a serious challenge since the 1990s. Taiwan has experienced several waves of immigrants from China at different stages in history, and there have been social divisions among them. Political democratization since the 1990s and election mobilization have exacerbated this division, and identification along the lines of Taiwan versus China has emerged. Different political identifications have further worsened the ethnic split between Taiwanese and “Chinese mainlanders,” having a negative impact on national security.¹⁹

The environment, disease epidemics, bioterrorism, and threats to major infrastructure have been of rising security concern in Taiwan.²⁰ Taiwan’s awareness of its homeland environment has substantially improved after several natural catastrophes in the past decade, such as floods, earthquakes, mudslides, and typhoons. Taiwan was particularly apprehensive of the outbreak of disease related epidemics in recent years such as the foot and mouth disease of 1997 and SARS in 2003. Taiwan’s concern around infrastructure security was heightened after the severe earthquake on September 21, 1999.²¹

Information security has recently become a new area attracting increased attention.²² On the one hand, computer-based information systems are relied upon excessively for the operation of many infrastructure facilities, ranging from financing and banking, to energy and power. Any type of terrorist information attack on these systems can ruin the infrastructure and cause social instability. On the other hand, China is developing information warfare capability, and many sources of information related

¹⁹ 2006 *National Security Report*, pp. 63–67, and Ding, et al., *Taiwan anquan zhanlue pinggu, 2004–2005*, pp. 33–56.

²⁰ This section draws from 2006 *National Security Report*, pp. 68–71. For a related concern, see “Homeland Security,” in Ding, et al., *Taiwan anquan zhanlue pinggu, 2004–2005*, pp. 127–49. Homeland security in this book is defined to include border security (human trafficking, smugglings, and diseases), natural disaster relief, infra-structure protection, and anti-terrorism.

²¹ This was the largest earthquake in recent years in Taiwan at 7.3 on the Richter scale. The death toll was more than 2,300, more than 11,000 people were injured, and around 110,000 houses/apartment units tumbled.

²² 2006 *National Security Report*, pp. 72–76, and Ding, et al., *Taiwan anquan zhanlue pinggu, 2004–2005*, pp. 169–88.

attacks have been traced back to China.²³ What concerns Taiwan the most is the possibility of China launching an “Information Pearl Harbor” type of attack, and at the same time, spreading unfavorable rumors about the Taiwanese government, in order to create a split between the government and civil society.

The *2006 National Security Report's* focus on non-traditional security issues reflects Taiwan's increasing awareness in this field. The content of the statement is quite comprehensive, and covers a wide range of issues. Further, the new security issues discussed above also exist in many other countries as a result of globalization and democratization in the post-Cold War era, and there has been a trend of convergence of issues. It should be emphasized that all of these issues, except terrorism, are real in Taiwan. Taiwan's international status has been squeezed with China's growth; the September 21, 1999 earthquake made Taiwan fully realize how vulnerable its infrastructure is. Annual typhoons, along with floods and mudslides, have taken a tremendous toll in Taiwan; smuggling and human trafficking have compromised Taiwan's security; disease, including SARS and foot and mouth disease, has also occurred in Taiwan and brought loss of human life and other damage.

Prevalence of Traditional Security Issues

Despite the fact that there has been rising awareness of the new security issues in Taiwan, and voluminous resources have been mobilized to tackle related threats, they have not yet become predominant in security policy making. Instead, traditional security issues concerning China's growing capability have persistently predominated, and many factors contribute to this outcome.

²³ For such allegations, see, e.g., “Chinese in cyber raid on N-Plant,” *The Australian*, December 10, 2007, <http://www.theaustralian.news.com.au/story/0,25197,22895447-25837,00.html> (accessed December 10, 2007), and “Chinese in Suspected in Capitol hacking cases,” *Los Angeles Times*, June 12, 2008, <http://www.chicagotribune.com/topic/la-na-hackers12-2008jun12,0,3654908.story> (accessed June 12, 2008).

I. Nature of New Security Issues

The first factor has to do with the nature of the new security issues. They cover a wide range of fields, and there is no doubt that each issue is important to human life and national interests. Nevertheless, no comprehensive concept covering all these security issues has been formulated so that related strategies and mechanisms can be developed to tackle these security threats in the real world.

For instance, the declining demographic structure in Taiwan over the past decade is an outcome of a complex social and economic process. It probably has nothing to do with climate change, although the latter is likely to impact economic activities. Neither should it have any relationship with pandemic disease, human trafficking, smugglings, democratization, and the environment. Accordingly, such a wide range of new security issues cannot be covered by any single comprehensive concept as an ideal backdrop.

At least two consequences can be identified as a result of this lack of conceptual “specification.” The first is that these new security issues are not included in Taiwan’s security policy making agenda. An illustration of this negligence is that during the past decade, no senior official at the National Security Council (NSC) of the Presidential Office was assigned responsibility for handling these issues,²⁴ and the division of labor was made along the lines of traditional security – defense, diplomacy, and China policy²⁵ – along with some imminent economic issues, such as Taiwan’s status in the World Trade Organization.

²⁴ “Senior officials” include one secretary general, three deputy secretary general, and five senior advisors of the NSC. In fact, there was only one senior official in the past decade who was interested in and focused on these new security issues, particularly homeland infra-structure security in the context of anti-terrorism. Nevertheless, his appointment was short lived and had no influence.

²⁵ It has something to do with the perceived constitutional division of labor between the President and the Premier. Taiwan’s constitution stipulates that President is the highest commander and handles national security policy, while the Premier is the highest administrator responsible to the parliament. The “national security policy” is defined as diplomacy, defense, and China policy. In practice, this division of labor makes national security policy making complex.

First, even if senior officials at the NSC paid attention to the new security issues, the real priority was not directly placed on proactively tackling threats. Frequently, the focus has been oriented on boosting Taiwan's diplomatic visibility and enhancing diplomatic ties with other countries, while the real work of tackling new security threats has been conducted by career bureaucrats at various cabinet ministries/agencies.²⁶ Their concern was whether these security issues could be transformed into diplomatic accomplishments.

The second factor is that new security issues have become event driven.²⁷ Lack of policy guidance at the policymaking level has allowed these potential security issues to go unattended, even though career bureaucrats might be fully aware of potential consequences of these new security issues beforehand. The lack of relevant knowledge/interest, as well as negligence at the policy making level, has made it an inevitable outcome that attention will be paid by the decision maker *only after* an incident has occurred, and when death and destruction have been incurred by society.

This aforementioned factor involves the very nature of the current international system. Although new security issues have mushroomed in the international security field in the post-Cold War era, and required transnational cooperation in order to tackle them, the sovereign state remains the basic actor in the contemporary international system. States have different policy priorities in accordance with domestic and external threat perceptions and pressures, and it is almost impossible for all states to prioritize the new security issues as urgent prior to the occurrence of an event of a disturbing magnitude, like that of the terrorist attacks on September 11, 2001.

Further, the agenda of the new security issues has not been shaped by major international actors in a way that other actors will follow, voluntarily or not. The only exception in recent years has been that of terrorism and nuclear proliferation, two issues which have been of great policy con-

²⁶ Interview with a retired government official, July 2008. It should be noted that those NSC senior officials are staff to the President without authority to carry out policy implementation, which is the jurisdiction of various departments/agencies under the cabinet.

²⁷ Interview with a retired government official, July 2008.

cern to the U.S., and strategies and mechanisms were developed to shape the international security agenda after the September 11, 2001 terrorist attack. After the anti-terrorist agenda was unilaterally set by the U.S., other states had to choose whether or not to follow.

Unlike the tremendous efforts paid to anti-terrorist and nuclear proliferation threats by the Bush administration, climate change, as illustrated by the Kyoto Protocol, which aims at reducing green house gases in an effort to prevent anthropogenic climate change, has never been supported by the Bush administration, and international efforts were stalled as a result. If no major actor regards these new security issues important, it is unlikely and unrealistic to expect other actors, including Taiwan, to prioritize these new security issues in their security policy making.

II. Reinforcing Effects

A third factor that has elevated new security issues in importance is the reinforcing effects of Taiwan's relationship with China, and China's own reluctance to address many of these new security issues. On the one hand, among the new security issues, many had to do with China. Nevertheless, China's reluctance to address these security issues with Taiwan reinforced Taiwan's traditional security perception. On the other hand, elements of these issues interacted with and reinforced each other. The outcome was that new security issues have not replaced traditional ones; instead, the traditional security perception was reinforced.

Environmental pollution from China had a clear reinforcing effect on Taiwan. After 30 years of economic reform and development, China's economic size has eclipsed that of many western countries, and its influence has been felt globally. Nevertheless, China's economic development has been achieved at the expense of environmental protection, and massive air pollution has spread from China to Taiwan, especially in the autumn and winter when cold front weather systems move from China towards Taiwan. Of pollution elements, mercury has probably been the most worrisome one because it accumulates in land, animals, and human

beings, causing further damage to health, livestock, and the ecosystem.²⁸ China's inability to tackle this problem has created resentment in Taiwan, and there is no sign of an improvement in the near future.

In the field of identity and ethnic relations, the China factor looms large in threat perception. China has been perceived to take advantage of Taiwan's political division in playing different groups off one other, which has served to exacerbate Taiwan's internal division. For instance, instead of dealing with the popularly elected government of the Democratic Progressive Party (DPP), China developed closer ties with Taiwan's former opposition party, the Koumintang (KMT), with the perceived goal of balancing the KMT against the ruling DPP.²⁹

It should be emphasized that reluctance to deal with the popularly elected DPP administration has reinforced the latter's apprehension of China. The DPP might perceive that China will attempt to overthrow the DPP administration or take Taiwan back against the Taiwanese people's will.

The China factor also looms large in infrastructure related security perceptions. The DPP administration perceives that the likelihood of an attack by terrorists on infrastructure is low, but the likelihood of an attack by China could not be ruled out.³⁰ It is perceived that in a Taiwan Strait conflict scenario, China would likely paralyze Taiwan's infrastructure by whatever means available so as to subdue Taiwan and fulfill China's goal

²⁸ "Dalu gongwuran sui lengqitian nanxia xi Taiwan" [China's mercury pollution falls to Taiwan along with cold front], *China Times*, May 7, 2008, <http://news.chinatimes.com/2007Cti/2007Cti-Focus/2007Cti-Focus-Content/0,4518,9705070151+97050704+0+132003+0,00.html> (accessed August 5, 2008).

²⁹ Cheng-yuan Tung, "Shiqidahou zhongguo duitai zhengce pinggu yu liangan guanxi zhanwang" [China's Taiwan policy after the 17th Party Congress: Policy evaluation and perspective], opening remark made at the Institute of International Relations of National Chengchi University sponsored Conference on China Policy Study in the New Century, Taipei, Taiwan, December 14, 2007. Tung was a vice chairman of the Mainland China Affairs Council, which is a government agency at ministry level responsible for coordinating and implementing Taiwan's China policy. The DPP became an opposition party after losing the presidential election in May 2008.

³⁰ Taiwan's concern in this field was heightened after the terrorist attack on September 11, 2001. Interview with a retired DPP government official, July 2008.

of pursuing re-unification. In the well known book *Chao Xian Zhan* [Unlimited war] this concern was justified by two Chinese authors who argued that an inferior country can employ whatever means necessary, including terrorist and cyber attacks against a superior adversary.³¹

Related to the above scenario is Taiwan's excessive dependence on information system infrastructure; this gives China ample opportunity to cripple Taiwan's infrastructure through information warfare. This scenario was realized after *Chao Xian Zhan* was published in China in 1999. In the book, the authors argue that there should be no restriction in a war. Any non-conventional means can be employed to remove constraints imposed in conventional war, so that major blows can be made against an adversary. Essentially, the ends justify the means, and the fact that it is considered warfare should not limit the type of actions that can be taken to harm an adversary. This philosophy has its consequences.

This is particularly the case for the disadvantaged party, according to this book. The authors advocate that facing a superior adversary, the inferior party can employ whatever means against the superior adversary, including terrorist and cyber attacks. This alerted Taiwan, reinforcing its concern that information operations³² can be employed to cripple its command and control system, along with infra-structure systems, before a large scale invasion of Taiwan is launched by the Chinese military.³³

³¹ Liang Qiao and Xiang-sui Wang, *Chao Xian Zhan, liangge kongjun daoxiao dui quanqiuhua shidai zhanzheng yu zhanfa de xiangding* [Unlimited war, two air force senior colonels' view on war and operation in the age of globalization] (Beijing: PLA Literature and Art Publisher, 1999). The September 11, 2001 terrorist attack took place two years after this book was published, and the terrorist attack made the book well known.

³² Information operation includes cyber attack, hacking, info bomb, virus attack, EMP (electromagnetic pulse) bomb, electronics attack, and special operation units.

³³ Taiwan defense sector's perception in this regard, see Chapter 3 of *Zhonghua-minguo jiushiqinian guofang baogaoshu* [National defense report of the Republic of China 2008] (Taipei, Taiwan: Ministry of National Defense, 2008), http://report.mnd.gov.tw/downloading/en_page76_89.pdf (accessed July 25, 2008). Taiwan's military strategy was amended to adapt to this situation, and the new guidance is "Keji xiandao, zidian youshi, lianhe jieji guotu fangwei" [Technology advancement, information and electronics superiority, joint interception, and ho-

Taiwan has become apprehensive of China's growing information warfare capability.³⁴ In addition to a possible "hard kill," physical destruction by launching ballistic and cruise missiles, electromagnetic pulse bombs, or a special operation force attack against political and military assets as well as C4ISR systems, China's "soft kill" capability has been closely monitored – a capability which is made up of electronic warfare, cyber attack, info bombs, virus attacks, and hacking to knock out Taiwan's infrastructure and command and control systems.

Closer economic ties with and growing dependence on China's market have been a serious concern in Taiwan. In terms of trade volume, total trade in 2007 between Taiwan and China reached US\$124,480 million,³⁵ accounting for 21.95 percent of Taiwan's total trade amount,³⁶ making China the second largest trade partner of Taiwan.³⁷ Nevertheless, China's trade volume with Taiwan merely accounted for 4.71 percent of China's total trade amount in 2007,³⁸ and this discrepancy demonstrates Taiwan's excessive dependence on China for trade.

The same can be said of Taiwan's outbound investment. Total China approved investment between 1991 and 2007 reached US\$45,666.92 million, and investment in January–March 2008 was US\$509.54 million, an

meland defense]. See Chapter 5 of the *Republic of China Defense Report 2006*, <http://report.mnd.gov.tw/95/> (accessed July 25, 2008).

³⁴ Ding, et al., *Taiwan anquan zhanlue pinggu, 2004–2005*, pp. 169–88, and Chapter 3 of the *National Defense Report of the Republic of China 2008*, http://report.mnd.gov.tw/downloading/en_page76_89.pdf (accessed July 25, 2008).

³⁵ This figure draws from China's Custom statistics, see "Trade between Taiwan and Mainland China," <http://www.mac.gov.tw/big5/statistic/em/184/5.pdf> (accessed July 31, 2008). This and following figures draw from different sources depending on the authoritativeness of these sources.

³⁶ This estimate was made by Taiwan's Mainland China Affairs Council (MAC) based on Taiwan Custom statistics, see <http://www.mac.gov.tw/big5/statistic/em/184/8.pdf> (accessed July 31, 2008).

³⁷ See "Taiwan Major Foreign Trade Partner," <http://www.mac.gov.tw/big5/statistic/em/184/36.pdf> (accessed July 31, 2008).

³⁸ This estimate was made by MAC "The Share of Cross-Straits Trade in Mainland China Total Foreign Trade," see <http://www.mac.gov.tw/big5/statistic/em/184/9.pdf> (accessed July 31, 2008).

increase of 29.7 percent over the same period in 2007.³⁹ Since 1991, China has become Taiwan's largest outbound investment country, accounting for 55.4 percent in the 1991–2007 period and 63 percent in the first three months of 2008 respectively.⁴⁰

The above figures illustrate one undeniable fact: the excessive dependence of Taiwan's economy on China in terms of trade and outbound investment. What has concerned Taiwan the most with this excessive dependence over the past decade is that China might take advantage of this economic dependence to force Taiwan to make political concessions, or to intervene in its domestic politics through pressuring Taiwanese businessmen who makes investments in China. This apprehension of excessive dependence is reflected in the frequently cited slogan, "*yi shang wei zheng, yi min bi guan*," (以商围政 以民逼官),⁴¹ which literally means to have business opportunity encircle politics and to have general people act to push government officials in certain policy directions.

The excessive dependence on the Chinese market also has a negative impact on Taiwan's economy. The China bound investment causes an increasing unemployment rate in Taiwan,⁴² although Taiwanese business

³⁹ Those figures draw from Chinese data "Taiwan Investment in Mainland China," see <http://www.mac.gov.tw/big5/statistic/em/184/10.pdf> (accessed July 31, 2008).

⁴⁰ Figures draw from MAC, see "Taiwan Approved Outward Investment by Country (Area)," <http://www.mac.gov.tw/big5/statistic/em/184/13.pdf> (accessed July 31, 2008).

⁴¹ Many DPP administration's top ranking officials frequently raised this apprehension. For instance, former Vice President Annett Lu's comment at an industry/technology forum, "Zhongguo yi shang wei zheng, Annett Lu: rouxing zhan-shou celue de jingjizhan" [China to have business opportunity encircle politics, Annett Lu: Economic warfare of soft decapitation strategy], <http://www.now-news.com/2006/06/05/10844-1949959.htm> (accessed August 5, 2008). It should be mentioned that it is different from economic sanction directly imposed by the Chinese government.

⁴² Taiwan's unemployment rate rose to 3.95% in June 2008 from an average of 2.69% in 1998. The highest unemployment was 5.17%, a figure from 2002. Since then, the figure fluctuated between 4.99% and 3.95%. Directory General of Budget, Accounting and Statistics, Executive Yuan, "97nian6yue ji shangbannian renli ziyuan diaocha tongji jiegou" [Investigation and statistics report of human

can potentially be re-invigorated because of China's low labor cost and less stringent environmental requirements as well as business incentives. Combined with a trade surplus amounting to billions of U.S. dollars, Taiwan's foreign exchange reserves have increased substantially, and the rising unemployment rate has met with resentment in Taiwan.

Human trafficking and smuggling have also reinforced Taiwan's traditional security concern. Geographic proximity with China, along with cultural affinity, the same language, and Taiwan's long shore line, has made China the largest source for human trafficking and smuggling from Taiwan. Moreover, they are closely linked with transnational crime, which has inevitably increased Taiwan's crime rate in the past decade. Taiwan has been designated by international narcotics groups for several years as an important route for shipping drugs to the U.S. from China, and has been listed in U.S. government reports as a transshipping post at the same time as the number of drug users has risen substantially in Taiwan.⁴³

Human trafficking has brought other problems, too. It has heightened the risk of health security related issues (diseases carried by illegal immigrants from China such as SARS, AIDS, hepatitis, and venereal disease.) Especially since many illegal Chinese immigrants have been involved in, or forced into, the sex industry. Furthermore, the Chinese unlike Taiwanese are not obliged to take the hepatitis vaccine.

Smuggling is another concern. Goods smuggled are multifarious and include drugs (opium/morphine and amphetamines shipped in fishing boats, shipping containers, post mails, and human delivery) and associated problems of money laundering. Smuggling is also linked with and impacts on the financial order, corruption, violent crime, political stability, and economic development; munitions (such as hand guns, rifles, submachine guns) and associated problems with organized crime; as well as agricultural and livestock products (which involve health inspec-

resource in June 2008 and the first six month of 2008], July 22, 2008, <http://www.dgbas.gov.tw/public/Attachment/87221054371.doc> (accessed July 30, 2008).

⁴³ Li-gong Xie, "Liangan fandu celue zhi tantao" [A probe into anti-narcotics strategy by the two sides of the Taiwan Strait], *Xingshi zhengce yu fanzui yanjiu lunwenji* [Proceedings on criminal affairs policy and crime study], No. 8 (May 2006), pp. 95–114, <http://www.moj.gov.tw/public/Attachment/65191530940.pdf> (accessed July 30, 2008).

tion/quarantine and plant ecology). Smuggling has also impacted Taiwan's agricultural sectors as well as some industrial sectors. For instance, China's comparative advantage of low labor costs has seen the smuggling of Chinese agricultural products to Taiwan. This has particularly been the case for garlic, tea, mushrooms, peanuts, rice, plums, and bamboo shoots over the past few years.⁴⁴

On the other hand, Taiwan's security agencies have been concerned with the possibility that some illegal Chinese immigrants might be dispatched by the Chinese government as "fifth column" units to Taiwan so that its ability to resist a Chinese invasion would be compromised in a Taiwan Strait conflict scenario, or Taiwan's stability would be disrupted.⁴⁵

It is also interesting to note that there has been an outflow of people from Taiwan to China during the past decade. One group has been those fleeing to China from Taiwan because of crimes committed in Taiwan. Data show that Taiwan requested China to repatriate a total of 400 Taiwanese citizens between 1990 and 2001, but only 125 were arrested and repatriated to Taiwan and the remaining 275 remained at large. In fact, the figure of those fleeing to China is very likely to be higher, and they inevitably become with criminal groups in China and Hong Kong.⁴⁶

Pandemic disease has made Taiwan apprehensive of China. Lack of transparency in the handling of the SARS virus at the beginning of 2003 placed Taiwan at high risk. Also, speculation that China launched biological warfare against Taiwan was rife with regard to foot and mouth disease

⁴⁴ Ministry of Finance (MOF), "Caizhengbu jiangyu jingjibu huixian gonggao jingke dasuan xianggu chayie, daomi deng ba xiang nongchanping yingyi shouge huo caiji gai nongchanping zhi guojia huo diqu wqi yuanchandi" [MOF and Ministry of Economic Affairs will jointly announce imported garlic, mushroom, tea, rice and etc. will require origin certificate issued by reaping or collecting country or area], November 9, 2004, <http://www.mof.gov.tw/ct.asp?xItem=19985&ctNode=657&mp=1> (accessed July 30, 2008).

⁴⁵ For an example of this allegation, see Xiuhui Lin, "Diwuzongdui shentou zhongguo feidie chanjue" [Fifth column infiltrates Taiwan, China's espionage are rampant], *New Taiwan Weekly*, No. 521 (March 16, 2006), <http://www.newtaiwan.com.tw/bulletinview.jsp?bulletinid=23679> (accessed July 30, 2008).

⁴⁶ Zhu, "Liangyan jiaoliu yansheng de zhian wenti," pp. 43–46.

in 1999.⁴⁷ If not biological warfare, it was speculated that cows smuggled from China spread foot and mouth disease in Taiwan, because this disease had not been found in Taiwan for more than sixty years.⁴⁸

The above analyses illustrate the reinforcing effect of the new security issues. Geographic proximity and cultural affinity between Taiwan and China make China the major, if not the only, source of those new security issues for Taiwan. The new security issues become problems because China has been reluctant to address these issues jointly with Taiwan. This reluctance is due to deep political distrust toward the DPP administration. The consequence has been such that the new security issues have reinforced traditional security concerns.

III. Fundamental Difference

The old feud between Taiwan and China has continued despite the fact the world entered the post-Cold War era nearly two decades ago. Although the types of sources for the feud have differed over time, the core source remains the same, that is, the politics in which China has attempted to re-unify with Taiwan.

Taiwan and China have been rivals since 1949, when the Nationalist government under the KMT was defeated by the Chinese Communist Party. Later, the People's Republic of China was established in 1949, while the KMT moved to Taiwan.

China's policy toward Taiwan has basically remained unchanged over the past six decades, though its tactics have evolved in order to adapt to the changing external and domestic environment. The main goal has been to re-unify Taiwan so that the historical mission could be achieved and China's sovereignty over Taiwan could be secured, despite the fact

⁴⁷ "Shengwuzhan de yiliao yingbian jianjie" [Introduction and medical response to biological warfare], *Yiqing baodao* [Epidemic report], Vol. 18, No. 2 (February 25, 2002), pp. 61–66, <http://phruru1.myweb.hinet.net/B2.pdf> (accessed July 31, 2008).

⁴⁸ "Zhuzhi koutiyi jianjie" [A brief introduction of hog foot and mouth disease], *Shejiao zilian zazhi* [Magazine for society and education information], No. 226 (June 30, 2003), pp. 25–26, http://public1.ntl.gov.tw/publish/soedu/226/text_12.htm (accessed July 31, 2008).

that the ROC has existed for six decades and the PRC has never physically controlled Taiwan.

A typical example illustrating the PRC's policy toward Taiwan is that Beijing has always argued that ROC does not exist internationally.⁴⁹ There is no doubt that the PRC replaced ROC in the United Nations in 1971 as the sole representative of China and has been able to isolate ROC internationally. Nevertheless, ROC has never been physically controlled by the PRC, and has survived a series of diplomatic crisis since the 1970s. Taiwan was recognized as one of the "four dragons" in the 1980s and became a democratic country in the 1990s. The fact that the ROC has existed for six decades since 1949 means that the likelihood of re-unification with China in the future is slim.

Unlike China's outdated Taiwan policy, Taiwan's policy toward China has become more pragmatic since the 1990s. In the early 1990s, Taiwan lifted the martial law which was enacted by the KMT for the purpose of executing "anti-Communist" policy and abolished the provisional law on mobilization against rebellious Chinese Communist insurgents. It was a law promulgated in the late 1940s when the civil war erupted on mainland China; and the implication of the abolition was that the ROC tacitly recognized the PRC's physical control of Mainland China.

Another example that further illustrated KMT policy change toward China came in the statement "What is One China," which was ratified on August 1, 1992 by the National Re-unification Committee. In it the KMT presented its view on Taiwan-China relations: China is divided at the present stage.⁵⁰ It was argued that both sides of the Taiwan Strait insist on the "One China" principle, but interpret it differently:

⁴⁹ Beijing has changed its tone toward Taiwan slightly in the past two years, formally advocating that the two sides of the Taiwan Strait have not been re-unified. Nevertheless, this does not mean that PRC will allow ROC on Taiwan any opportunity to pursue international status.

⁵⁰ The committee was established on October 7, 1990 by former president Lee Teng-hui as a task force unit providing policy guidance to Taiwan-China relations.

- The Chinese Communist authority regards One China as the PRC, and Taiwan will be a special administration zone after re-unification.
- Taiwan regards One China as the ROC established since 1912, and its sovereignty should cover Mainland China, but at present, its administration covers only Taiwan, Pescadores, Quemoy, and Matsu. Taiwan is part of China, and Mainland China is also part of China.
- Since 1949, China has been temporarily divided, and two political entities administrate each side of the Taiwan Strait. This is an objective fact, and any advocate seeking re-unification should not ignore the existence of this fact.⁵¹

The KMT's post-1990s policy toward China has important implications. One is to recognize the political reality that Mainland China has been administrated by the PRC government since 1949. This is a change from its previous ideological position regarding the PRC government as a "rebellion" regime headed by the CCP. This change comes with the hope that the two sides can stand as equals to develop a new relationship, although re-unification is desired (but there is no timetable for accomplishing it.)

Reciprocity had not been offered by the PRC government before May 2000 when the opposition DPP became the ruling party. Despite the fact that Taiwan has recognized the political reality by changing its policy and endorsing the principle of "One China with different interpretation" as a compromise, China's policy toward Taiwan has remained unchanged.

Worse is that political tension re-emerged as a result of China's intransigent policy. Irritated by Taiwan's endeavor to pursue international status, China launched large scale military exercises and precipitated the 1995/96 Taiwan Strait crisis.⁵² After the crisis, China deployed an increas-

⁵¹ "Guotonghui queli yigezhongguo hanyi" [National Re-unification Committee confirms "One China" interpretation], *United Daily News*, August 2, 1992, http://issue.udn.com/FOCUSNEWS/STRETAGE/history/content_9.html (accessed August 1, 2008).

⁵² For analyses of the crisis, see Suisheng Zhao, ed., *Across the Taiwan Strait: Mainland China, Taiwan, and 1995–1996 Taiwan Crisis* (New York: Routledge,

ing number of missiles targeting Taiwan in Fujian and Jiangxi provinces. As a consequence, confrontation returned to the Taiwan Strait.

China's distrust towards the China policy of the DPP administration since May 2000 has led to heightened political tension in the Taiwan Strait. The DPP's China policy, in short, was to "normalize" relations with China; the essence being that both sides should face the objective "reality" in which Taiwan under the name of ROC is a sovereign state. Both sides should establish a peaceful and stable framework so that the status quo of the Taiwan Strait will not be changed unilaterally, and that both sides can co-exist and share prosperity.⁵³

Former President Shui-bian Chen proposed "political integration" to replace eventual re-unification with China, as proposed by the KMT. Concrete models of this political integration vary, ranging from confederation, commonwealth, to European Union (EU)-style systems. He specifically mentioned the EU model in his 2004 inaugural speech to develop Taiwan-China relations so that the four principles of sovereignty, democracy, peace, and equality can be met.⁵⁴

There is a difference over China policy between the KMT and DPP. The DPP administration persistently opposes the "One China" principle that China insists upon. One major reason for its opposition has been that Beijing has never accepted the "One China with different interpretation" as proposed by the KMT. Beijing maintains their long established argument that the ROC has not existed since 1949. In other words, Beijing's intransigent policy toward Taiwan backfired.

1999), and John W. Garver, *Face Off: China, the U.S., and Taiwan's Democratization* (Seattle, WA: University of Washington Press, 1997).

⁵³ This section draws from Chuizheng Qiu and Chengyuan Tung, "Chen Shui-bian zhengfu yu Ma Yingjeou zhengfu de zhongguo zhanlue zhi bijiao yu jian-tao" [Comparison and review on the China strategies of the Chen Shuibian and Ma Yingjeou administrations], presented at Institute for Taiwan Defense and Strategic Studies sponsored Conference on Taiwan Security after Ma Administration Took Office, Taipei, Taiwan, August 9, 2008. It should be noted that, unlike KMT which was developed in mainland China between late nineteenth century and mid-twentyth century, the DPP has developed in Taiwan and has no any tie to China in history or in geography. This partially can explain why current Chinese government has no confidence and trust to the DPP.

⁵⁴ Qiu and Tung, "Chen Shuibian zhengfu yu Ma Yingjeou zhengfu."

Taiwan's growing self-identification also contributed to the DPP's refusal to accept Beijing's One China principle. According to a survey by the National Chengchi University Election Study Center (ESC), those in Taiwan who identify themselves as Taiwanese has grown substantially from 17.3 percent in June 1992 to 43.7 percent in December 2007; while those who identify themselves as Chinese dropped from 26.2 percent to 6.5 percent during the same period.⁵⁵

Re-unification has no appeal at all for Taiwan, and this might also result in DPP's refusal. The survey also shows that those who advocate re-unification as soon as possible accounted for only 1.8 percent in December 2007, dropping from 4.4 percent in December 1994, while the majority prefer to keep a broad status quo option available.⁵⁶

The above shows a fundamental difference between Taiwan and China. China's intransigent policy toward Taiwan precludes China from facing the objective reality that China has not physically controlled Taiwan since 1949, and that the ROC has existed for six decades since 1949. The consequence has been that China has refused to deal with any legally elected Taiwan government, so that the implication, explicit or implicit, is that Taiwan is not an independent entity.

In the context of China's mindset of reluctantly dealing with the legally elected Taiwan government, no action has been taken to address new security issues. China is afraid that any legal arrangement related to new security issues will create an impression that China has recognized the ROC on Taiwan as a separate political entity, and the long established myth that ROC has not existed will be destroyed by this action.

Conclusion

Two decades have passed since the Soviet Union collapsed. Many new security issues have emerged, and a new security agenda has been shaped

⁵⁵ "Taiwanese/Chinese Identification Trend Distribution in Taiwan (1992/06–2007/12)," <http://esc.nccu.edu.tw/eng/data/data03-2.htm> (accessed August 1, 2008).

⁵⁶ "Taiwan Independence vs. Unification with the Mainland Trend Distribution in Taiwan (1994/12–2007/12)," <http://esc.nccu.edu.tw/eng/data/data03-3.htm> (accessed August 1, 2008).

dominated by transnational cooperation on combating terrorists. Nevertheless, it should be pointed out that the emergence of the new security issues has not totally changed the essence of the international system. That is, the state remains the basic actor in the international system, and security issues will not be elevated to the global security agenda unless major states push for them. Again, the global anti-terrorist campaign is a typical case in which the United States, after the September 11, 2001 terrorist attack, re-oriented its national security priority, and made it a part of the global agenda. This implies that the state acts in accordance with its perceived policy priority.

As pointed out above, Taiwan-China relations have remained unchanged in the past two decades despite the fact that new security issues emerged and cooperation was required to tackle these issues. For China, policy priority with regard to Taiwan has persistently remained the same – to re-unify Taiwan. China's intransigent policy towards Taiwan has shaped relations, and all that Taiwan perceived it could do has been to react.

It should be pointed out that China has been aware of new security issues, but not much has been done based on this awareness. For instance, in September 1990, the Quemoy agreement was signed by the Red Cross of both sides to handle the repatriation of criminals, suspects, and illegal immigrants.⁵⁷ Nevertheless, this agreement did not cover cooperation on criminal investigation and intelligence exchange by law enforcement units, and in the end, carrying out repatriation within this agreement depended upon China's good will.

Some minor improvement was made in 2001. With the assistance of the Criminal Investigation and Prevention Association, ROC of Taiwan and the Association of Chinese Police of China, Taiwan's Criminal Inves-

⁵⁷ It was reported that as of January 31, 2007, a total of 37,790 persons have been repatriated by the both sides in 286 rounds of repatriation. Among the repatriated persons, 266 were Taiwanese who illegally entered China, were criminal suspects, or were wanted. See "Jinmen xieyi qianshu yilai liangan yi xianghu qianfan sanwanqiqian duoren" [Since the Quemoy agreement had been signed, more than 37,000 persons have been repatriated by the both sides], *Huaxia jingwei wang* [Chinese Affairs Network], January 31, 2007, <http://hk.huaxia.com/thpl/wzzdlj/2007/01/34797.html> (accessed August 4, 2008).

tigation Bureau built up a communication channel with its Chinese counterpart in 2001. Both sides reached a consensus on combating crime. They also agreed that repatriation can also be carried out through an airline, and that the area for repatriation could be extended to third jurisdictions such as Hong Kong and Macau. Under this new consensus, the channel for repatriation has been expanded. In April 2002, a major Taiwanese criminal was repatriated, and in March 2003, another major Taiwanese criminal was given up by China to Taiwan's law enforcement unit. Both criminals were repatriated to Taiwan from Macao.⁵⁸

Nevertheless, limited progress in the area of criminal cooperation laid bare many deficiencies. On the one hand, collaboration in criminal cooperation should be broadened to include intelligence exchange, joint investigation, verification, and judicial assistance so that crime combating can be effectively executed on both sides of the Taiwan Strait. On the other hand, other security issues have been left unaddressed in the past decade and there remains an urgent need to address them.

It is very likely that political considerations precluded China from expanding collaboration on new security issues. Law enforcement and judicial issues involve jurisdiction and geographical area of jurisdiction, which together have serious implications for sovereignty and political identification. China's "One China" principle will block any proposal so that no movement in this direction will be generated.

The improved atmosphere in the Taiwan Strait will influence collaboration on new security issues. There is no doubt that the deterioration of cross-Strait relations, as a result of the perceived challenge to China's One China principle by the DPP administration, has been reversed due to the administration change in Taiwan after May 2008 when Ma Ying-jeou assumed the presidency.⁵⁹ New security issues are being placed in the back-seat of policy priority, however.

⁵⁸ Zhu, "Liangan jiaoliu yansheng de zhian wenti."

⁵⁹ For a comprehensive analysis on potential impacts of the March 22, 2008 presidential election on the cross-Strait relations, see "Taiwan Redux," *China Security*, Vol. 4, No. 1 (Winter 2008), http://www.chinasecurity.us/News_View.asp?NewsID=81 (accessed August 5, 2008).

President Ma's priority is to improve economic ties, along with some other economic programs, so that Taiwan's economy can be bailed out from low domestic consumption and be reinvigorated. In the first two months after he took office, Chinese tourists were allowed to visit Taiwan and a weekend charter flight between Taiwan and China commenced.⁶⁰ These were two major programs which were listed in his policy platform during the presidential campaign.

As President Ma attempts to expand economic ties in coming years, he wants to convert the weekend charter flight to a routine flight, initiate direct cargo flights, and introduce a maritime cargo program, as well as lift the ceiling on China bound investments, approve Taiwan's banking sector investments in China, allow Chinese businesses to make investments in Taiwan's public infrastructure projects, and to open Taiwan's universities and colleges to Chinese students.⁶¹ These ambitious programs, if fully implemented, will occupy both sides' agenda.

China will not regard new security issues as urgent either. China's objective remains simple: to integrate Taiwan with China as much as possible. President Ma's ambitious programs open a rare window of opportunity to tie Taiwan with China closely so that the close ties cannot be easily reversed in the future by any Taiwan administration.

It should be noted that these programs are unlikely to eliminate the fundamental political differences. The two above-mentioned accomplishments, Chinese tourism and weekend charter flights, were negotiated by the two governments' proxies, instead of by the two governments themselves; and negotiation on other programs in the future, if possible, will be undertaken by these two proxies so that the sensitive issue of sovereignty can be avoided temporarily.

⁶⁰ These two programs have been negotiated with China under the DPP administration, nevertheless, no progress has been achieved, because China had no trust and was reluctant to give credit to the DPP administration.

⁶¹ Feasibility studies of some of these programs have been done by the DPP administration. See, e.g., "Ing-wen Tsai: Bupaichu yu duian fuzhuxing gotong" [Ing-wen Tsai: Possibility of auxiliary communication with China is not excluded], *China Times*, August 5, 2008, [http://news.chinatimes.com/2007Cti/2007Cti-News-Content/0,4521,110502+112008080500256,00.html](http://news.chinatimes.com/2007Cti/2007Cti-News/2007Cti-News-Content/0,4521,110502+112008080500256,00.html) (accessed August 5, 2008).

China deliberately differentiates between its policy toward Taiwan and toward other countries. With regard to Taiwan policy, China put aside “dispute” over what is the “One China” principle and never mentioned “One China” principle when dealing with Taiwan’s counterparts. But China upholds the principle of building up “mutual trust” between the two sides of the Taiwan Strait, and the goal of this “mutual trust” is that both sides uphold the One China principle, even though Taiwan under the Ma administration insists on a different interpretation over what is “One China.”⁶²

The most typical case illustrating this deliberate difference comes from efforts at diplomacy. In dealing with Taiwan’s counterparts, China does not mention its “One China” principle, but in dealing with other countries, China – as its foreign minister, Jiechi Yang, stated in Washington in July – always emphasizes that “no matter how Taiwan-China relations evolves, the ‘One China’ principle will never be changed.”⁶³

The question is how long the deliberate difference can be maintained? Taiwan under President Ma places priority on reinvigorating Taiwan’s economy, but, at the same time, the long established goal of pursuing international status has never been dropped. Nevertheless, it is very unlikely that China will allow Taiwan to expand its international status, and there is a possibility that friction and tension over sovereignty will arise again in the future.

In sum, at present, the new security issues have not been prioritized by Taiwan and China in their respective policy agendas, and this will hinder both from addressing these issues. At the same time, many sensitive political issues related to the new security issues constitute obstacles

⁶² President Ma’s sixteen-characters describing the cross-Strait relations is “Zhengshi xianshi, kaichuan weilai, gezhi zhengyi, zheiqiu shuangying” [Face the reality, break ground for future, put aside dispute, pursue win-win], while China’s president Jin-tao Hu’s response is “Jianli huxin, gezhi zhengyi, qitong cunyi, gongchuan shuangying” [Build up mutual trust, put aside dispute, seek common ground while get around difference, jointly pursue win-win].

⁶³ “Jiechi Yang yanshuo qiangdiao yizhong weiti jiuer” [In Jiechi Yang’s speech, One China is stressed but the 92 consensus is not left out], *China Times*, July 31, 2007, <http://news.chinatimes.com/2007Cti/2007Cti-News/2007Cti-News-Content/0,4521,110502+112008073100327,00.html> (accessed August 5, 2008).

barring China from dealing with Taiwan. In the end, traditional security issues still prevail in the Taiwan Strait.

Peace-Building as a New Pillar in Japan's Foreign Policy

Lam Peng Er*

Japan is seeking to play a more active, creative, and autonomous role in Asia to address internal conflicts and enhance regional order. Since its earlier UNPKO (United Nations Peacekeeping Operations) in Cambodia and East Timor, Tokyo has also sought to contribute to ending civil wars in Aceh, Mindanao, and Sri Lanka.¹ This new direction in Japan's foreign policy is significant for at least two reasons. The first relates to the issue of postwar Japan's role and identity in the world. The nation's foreign policy is often viewed as politically passive, reactive and mercantile, hamstrung by its past militarism in Asia, and dependent on the United States. Constrained by Article 9 of its constitution (which rejects the settlement of international dispute by the threat of, or use of force) and the residual pacifism of its general public due to the country's catastrophic defeat in World War II, Japan has renounced the role of a great military power even though it is the second largest economy in the world.²

* Lam Peng Er is Senior Research Fellow, East Asian Institute, National University of Singapore.

¹ For details on Tokyo's role in country-specific cases, please see my articles: "Japan's Peace-building in Mindanao: Partnering the Philippines, Malaysia and the Moro Islamic Liberation Front", *Japanese Studies*, Vol. 28, No. 1 (May 2008), "Japan's Peace Building Diplomacy in Sri Lanka", *East Asia: An International Quarterly*, Vol. 21, No. 2 (2004), "Japan's Peace Building Diplomacy in Aceh", *Asian Ethnicity*, Vol. 5, No. 3 (October 2004).

² Even though Japan is sensitive to the balance of power in East Asia, it does not appear to be interested in matching China's relentless double digit growth in its military budget. Postwar Japan has opted out of the great military power game and has no wish to engage in an arms race, conventional or nuclear, with a rising China. That the former is able to do so is because of its pacifistic norms and the shield provided by the US-Japan Alliance. According to the *2008 Defense of Japan Annual White Paper*: "The Government has long interpreted Article 9 of the Constitution to mean that armed force can be used to exercise the right of self-

Although a close ally of the US, Japan cannot act as the “Great Britain of the East” which supports the US in war fighting in the theaters of Iraq, Afghanistan, and other hot spots. However, embracing an inward-looking pacifism is unbecoming for a nation which has prospered greatly in the present interconnected international order. Peace-building is, therefore, a promising path for Japan in order for the country to play an active role in issues of war and peace throughout the region. By focusing on the consolidation of peace in Asia, Japan can forge an identity as an active and positive “peace-loving” country acceptable to both its citizens and Asian neighbors.

Being the second largest economy in the world is both a blessing and a dilemma. If Japan was merely the “Switzerland of the East” or a “small but a shining country”, then there would be few international expectations for the nation to play a larger political and security role in the world.³ If Japan's economic strength was merely at the level of other US allies in East Asia – South Korea, Thailand, and the Philippines – then there would be

defense only when the following three conditions are met: 1) When there is an imminent and illegitimate act of aggression against Japan; 2) When there is no appropriate means to deal with such aggression other than by resorting to the right (of self-defense); and 3) When the use of armed force is confined to the minimum necessary level. ... Under the National Defense Policy, Japan has been building a modest defense capability under the Constitution purely for defense purposes without becoming a military power that could threaten other countries, while adhering to the principle of civilian control of the military, observing the Three Non-Nuclear principles, and firmly maintaining the Japan-U.S. Security Arrangements.” The *White Paper* then reiterates that Japan will not become a military power: “There is no established definition for the term ‘military power’. For Japan, however, not becoming a military power that could threaten the security of other countries means that Japan will not possess more military force than is necessary for self-defense and could pose a threat to other countries.” *2008 Defense of Japan Annual White Paper*, pp. 109–11.

³ Japan is simply too big and weighty – demographically, economically, and politically – to be merely the “Switzerland of the East.” However, Takemura Masayoshi, finance minister in the coalition government of Murayama Tomiichi, did argue for a pacifist and minimalist role for Japan even in the post-Cold War era. See Takemura Masayoshi, *Chisakutomo kirari to hikaru kuni–Nihon* [Japan: A small but shining country] (Tokyo: Kobunsha, 1994).

fewer American criticisms directed at Japan along the lines of it being a “free rider” and that it ought to do more for the alliance and regional stability. But constrained by its strategic culture of anti-militarism and protected by the US nuclear umbrella, Tokyo has no desire to be a great military power to match a rising China.

Since one-country pacifism is no longer viable after the First Gulf War, and being a resurgent military power is unattractive and unacceptable both domestically and regionally, peace-building is a good alternative in which Tokyo can play an active and positive political role in international affairs.⁴ But it would be difficult to play this role – and be taken seriously by other countries – if Japan were not an economic heavyweight and without the wherewithal to build peace. Tokyo’s consolidation of peace is, therefore, predicated upon its economic success. But the concept is a departure from the mercantilist Yoshida Doctrine because it addresses the issues of civil wars and regional instability. Paradoxically, Japan is using “peace” rather than military power as a concept to deal with the “realist” issues of war.

Moreover, the consolidation of peace as a new direction in the nation’s foreign policy does not compete with the US-Japan alliance, but may even benefit the US. It is not a case of pitting the alliance against the UN and other non-military options in the country’s foreign policy. Indeed, Japanese peace-building in Mindanao and Sri Lanka “serves” US interests, too, because it addresses problems associated with terrorism in those two conflict areas. In the case of East Timor, Japan helped Australia, a staunch ally of the US, to build a new nation. Addressing the civil war in Aceh, which might have impacted on the safety of navigation in the Straits of Malacca, was also in the interest of the US and its allies. Tokyo’s entry into

⁴ While mass pacifism is still enduring, it is no longer synonymous with the policy of unarmed neutrality espoused by the Japan Socialist Party (JSP, the number one opposition party during the Cold War) before its disintegration. While a political culture of anti-militarism remains, unarmed neutrality as a political stance has become obsolete with the demise of the JSP. A majority of public opinion has accepted the US-Japan Alliance and the constitutionality of the Self-Defense Forces. However, there remains profound aversion to the exercise of military force abroad and adherence to a minimalist defense capability for the home islands.

the Cambodian imbroglio also paved the way for Washington's exit from its painful involvement in the Indochina conflict. To argue that the building of a new pillar in Tokyo's foreign policy can be good for Washington is not to say that the former is doing it all for the latter. Japan is doing it for itself – searching for an appropriate role and identity in the world – and also helping other states and societies suffering from internal conflicts. It just happens to benefit the US and the rest of the region as well. While the consolidation of peace is emerging as a new pillar, the alliance remains the cornerstone of Japanese foreign policy upon which the pillar is being constructed.

The then Foreign Minister Komura Masahiko declared in January 2008: "Japan must play a responsible role in the international community as a 'peace-fostering nation' to contribute to the peace and prosperity of the world ... Japan indeed must demonstrate leadership in building peace in the world. I would like to see my country become a focal point for the world to gather knowledge and experience in peace-building and to nurture peace-building professionals. At the United Nations, Japan is fulfilling the duties of chair of the newly established Peace Building Commission (PBC)."⁵

The second significance of Tokyo's new pillar is its efforts to address the fact that intra-state conflict (especially ethnic strife) has outstripped inter-state wars in frequency and number of civilian casualties in the post-Cold War era.⁶ Freed from the paralyzing vetoes of rival permanent members in the United Nations Security Council (UNSC) during the Cold War, the UN has become a critical global institution which legitimizes and spearheads peacekeeping operations in regions suffering from internal conflict. Tokyo has been supportive of the UN in terms of financial contribution, manpower, and ideas to address the problems of internal conflict.

⁵ Ministry of Foreign Affairs of Japan, "Speech by Minister for Foreign Affairs of Japan Mr Masahiko Koumura: Japan: A Builder of Peace", 24 January 2008, <http://www.mofa.jp/policy/un/pko/speech0801html> (accessed 25 February 2008).

⁶ Australian Foreign Minister Gareth Evans has noted: "We have seen the almost complete disappearance of interstate wars, between governments." Gareth Evans, "Preventing deadly conflict: how can we do better?", International Crisis Group, 6 December 2006, <http://www.crisisgroup.org/home/index.cfm?id=4567> (accessed 11 January 2007).

In this regard, the nation's role in supporting the UN – a key institution of world order – to mitigate intra-state violence is indeed significant.

Notwithstanding the bursting of its “bubble economy” in 1991 and the subsequent decade of economic stagnation, the country is still the number two economy in the world and has the material clout to build peace in Asia. Tokyo's efforts to mitigate civil wars can possibly benefit millions of human beings suffering from deprivation, loss of dignity, violence, and the threat of death. Its consolidation of peace is significant from an ethical and humanitarian viewpoint in a world wracked by conflict. Simply put, peace-building is a matter of life and death to ordinary people trapped in internal conflicts. Indeed, in the cases of Cambodia, East Timor, Aceh, Mindanao, and Sri Lanka, Japan sought to consolidate peace in these areas where millions of civilians were imperiled by civil wars. Unlike the more robust and forceful approach adopted by NATO and the EU to deal with internal conflicts, Tokyo's consolidation of peace is guided by the concept of “human security” – the provision of safety for individuals rather than the protection of sovereign states.

Terminology: Peace-building

The term peace-building was first used by two scholars, David Mitrany in 1966 and then Johan Galtung in 1975, but it was only recently, beginning with UN Secretary General Boutros Boutros-Ghali's use of the term in his *An Agenda for Peace* (1992) to rebuild war-torn societies, that the idea became significantly more popular.⁷ Peace-building, peacemaking, peacekeeping, conflict prevention, and the consolidation of peace are allied concepts which overlap and are oftentimes used interchangeably albeit confusingly by theorists and practitioners. Paul Diehl noted: “Peacekeeping analyses are notorious for their conceptual muddles. It is common for the terms peacekeeping, peace-building, peace enforcement, peacemaking,

⁷ W. Andy Knight, “Evaluating recent trends in peacebuilding research”, *International Relations of the Asia-Pacific*, Vol. 3 (2003), p. 241. See David Mitrany, *A Working Peace System* (Chicago: Quadrangle Books, 1966), and Johan Galtung, “Three approaches to peace: peacekeeping, peacemaking and peace-building” in his *Peace, War and Defense: Essays in Peace Research*, Vol. 2 (Copenhagen: Christian Ejlertsen, 1975).

and a host of other terms to be used interchangeably. Even when distinctions are made, there is not necessarily agreement among scholars and practitioners on the conceptual components of a given term. Given that, it is impossible to specify a single, universally agreed-upon definition of peace-building.”⁸

W. Andy Knight who did a literature review of the terminology also noted the conceptual confusion: “What is clear from these studies is that establishing durable peace in a post-conflict area is a major challenge, and that part of that challenge is to bridge the gap between peacebuilding practice and peacebuilding research. The problem, however, is that the growing literature on peacebuilding, which embraces elements of both praxis and research, is still very much in an embryonic state. It suffers from vagueness and a general failure to distinguish properly between the ideal and the reality on the ground. ...[T]hat peacebuilding has come to mean too many different things to too many different people, making conceptual clarity difficult to achieve. If we embrace the multifaceted, multi-dimensional view of peacebuilding, then it is difficult to distinguish it from, say ‘governing’. Yet there is a clear indication from the conceptualization trend that researchers have been trying to expand the concept to reflect the complexity of the practical elements involved in building peace. The reality is that the peacebuilding concept needs to match peacebuilding praxis. Since we are still at the early stages of this ‘practice’, one should expect some conceptual wooliness for some time to come.”⁹

Scholars have defined the concept both narrowly and broadly. A narrow definition is the consolidation of peace in the *aftermath* of civil wars to prevent a recurrence of violence. This interpretation sees the concept essentially as a *post-conflict* activity. Another definition views the concept more broadly as preventing a conflict from erupting, facilitating the ending of a conflict, and ensuring peace after a conflict has ended.¹⁰

⁸ Paul F. Diehl, “Paths to peacebuilding: the transformation of peace operations”, in T. David Mason and James D. Meernik, eds, *Conflict Prevention and Peacebuilding in Post-War Societies* (London and New York: Routledge, 2006), p. 108.

⁹ Knight, “Evaluating recent trends in peacebuilding research”, pp. 242, 249.

¹⁰ For a succinct discussion on the broad and narrow definitions of peacebuilding, see Roland Paris, *At War's End: Building Peace After Civil Conflict* (Cam-

The United Nations Development Programme (UNDP) has adopted a broader definition of the concept: “Conventional UN usage ... saw ‘peace-building’ strictly in terms of ‘post-conflict’ actions, usually following from a UN peacekeeping operation, that might help reduce the risks of renewed major violent conflict in a society that has undergone such conflict in the relatively recent past. ... [However] the UN Security Council ... (is) beginning to use ‘peace-building’ for certain purposes as the umbrella term, for example in a February 2001 statement, which sees peace-building as ‘aimed at preventing the outbreak, the recurrence or continuation of armed conflict and therefore encompasses a wide range of political, developmental, humanitarian and human rights programmes and mechanisms’.”¹¹ The UNDP’s broader definition of peace-building, therefore, encompasses conflict prevention and not merely post-conflict recovery.

Analytically, we can make a distinction between peace-building, peacemaking, and peacekeeping. Peacemaking refers to diplomatic action to avert or end a conflict by bringing hostile parties to agreement. Traditional peacekeeping involves the deployment of military force to ensure that a ceasefire or peace settlement remains intact. However, peacekeeping today often entails the added tasks of providing governance, nation-building, development, and humanitarian assistance. In this regard, the new “civil-military” nexus of peacekeeping may overlap with the post-conflict consolidation of peace. The broader definition of peace-building

bridge: Cambridge University Press, 2004), pp. 2–3. Paris notes: “Some commentators define peacebuilding more broadly—as efforts to avert conflict either before or after war. This volume adopts the more common designation of peacebuilding as a *postconflict* activity.” Ho-Won Jeong adopts a narrower definition: “Peace-building involves a process comprising various functions and roles. It often entails a wide range of sequential activities, proceeding from cease-fire and refugee resettlement to the establishment of a new government and economic reconstruction. The end of violent conflict has to be accompanied by the rebuilding of the physical infrastructure and the restoration of essential government functions that provide basic social services. In the long run, stability cannot be achieved without the participation of former adversaries in a democratic political process and socioeconomic reform.” See Ho-Won Jeong, *Peacebuilding in Post-conflict Societies: Strategy and Process* (Boulder, Colo.: Lynne Rienner, 2005), p. 1.

¹¹ Bernard Wood, *Development Dimensions of Conflict Prevention and Peace-Building* (New York: UNDP, 2001), p. 16.

may be rejected by theorists who prefer the conceptual clarity of limiting it to a post-conflict activity. But the reality is that many practitioners, including those from the UNDP (as quoted earlier) and Japan, have preferred to use peace-building in a broader sense to reflect the reality – often murky, uncertain, and open-ended – on the ground. The praxis of peace-building does not move in a textbook-like, teleological sequence: eruption of conflict, peacemaking, peacekeeping, and post-conflict peace-building. The arrow can also point in the opposition direction: post-conflict consolidation of peace, ignition of conflict again, followed by peacemaking and/or peacekeeping.

Japanese practitioners have discovered that there are many permutations in a conflict and its outcome. It is often unclear whether a situation is in a post-conflict stage even after a ceasefire or a peace accord has been signed. In the cases of Sri Lanka, Mindanao, and Aceh, full-fledged civil war erupted again after the signing of a ceasefire. Cambodia and East Timor were also cases where post-conflict reconstruction was supposed to be in full swing, but where armed conflict erupted again after the withdrawal of UNPKO. Whether a situation is the “beginning of the end” or the “end of the beginning” of a conflict cannot be judged until after fact and with the benefit of hindsight.

Ishikawa Sachiko observes: “Assistance to the entire conflict-affected Mindanao was obviously a big challenge for Japan. ... Development assistance is expected, in accordance with the ODA Mid Term Policy 2005, to play a role either before or after a conflict, especially during a transition period in the aftermath of the conflict. While assisting the ARMM (Autonomous Region of Muslim Mindanao) is post-conflict peace building support; the MILF (Moro Islamic Liberation Front) controlled area seems to be both a ‘post-conflict’ and an ‘in-conflict’ situation: ‘post-conflict’ in the sense that the Ceasefire Agreement was signed between the GROF (Government of the Republic of the Philippines) and the MILF in July 2003, but remained in ‘conflict situation’ with the fact that there are still occasional skirmishes between the two parties.”¹² Even when it is unclear whether a

¹² Ishikawa Sachiko is Senior Advisor to Japan International Cooperation Agency's (JICA) peace-building in Mindanao. See Sachiko Ishikawa, “Japan's Assistance to Mindanao with Human Security Perspective: Is it possible to support

situation is “in-conflict” or “post-conflict”, Tokyo has pragmatically considered it to be part and parcel of consolidating peace.

I adopt the broader definition of peace-building as an umbrella concept which is intertwined with the related activities of peacemaking and peacekeeping. It is not a whimsical choice based merely on the preferences of Japanese practitioners. Rather it is a considered choice based also on the experiences of the UN and the realities on the ground in conflict areas. Simply put, consolidating peace is not confined to a post-conflict activity in this study.

Peace-building, Japanese Style

Tokyo’s definition of the concept has been based on its post World War II values of pacifism, emphasis on developmental aid, and more recently the norms of human security. Its consolidation of peace approach has a strong Official Development Assistance (ODA) component with considerations of “human security” (the survival and welfare of individuals rather than the state) and the eradication of poverty. Japan avoids the *enforcement* of peace by military means because of constitutional restrictions and domestic norms.¹³ Tokyo has also used the term “peace-building” (often interchangeably with the “consolidation of peace”) both narrowly and broadly.

Mindanao prior to the Peace Agreement”, in HiPeC [Hiroshima University Partnership for Peacebuilding and Social Capacity] International Peace Building Conference, 2007, pp. 4–5. Ishikawa also notes that the mandate of the ODA Charter permits assistance before, during, and after a conflict. She quoted the ODA Charter: “In addition to assistance for preventing conflicts and emergency humanitarian assistance in conflict situation, Japan will extend bilateral and multilateral assistance, flexibly and continuously, for peace building in accordance with the changing situation, ranging from assistance to expedite the ending of conflicts to assistance for the consolidation of peace and nation-building in post-conflicts situations.” The practice of peace-building, therefore, is not confined to post-conflict scenarios.

¹³ Aikawa Kazutoshi from the Ministry of Foreign Affairs of Japan, United Nations Policy Division, Foreign Policy Bureau, affirmed: “We can’t pursue peace-building that rely on military forces.” See Aikawa Kazutoshi, “International Cooperation and Support by the Japanese Government”, Tokyo University of Foreign Affairs – MOFA Symposium on Peace-building and Conflict Management, 5–6 February 2005.

The narrower definition focuses on the interim process after the end of conflict: between a ceasefire followed by negotiations and a peace accord. In the broader version, the term encompasses the whole process of peace: the prevention of conflict before it even erupts, peacemaking, peacekeeping, followed by a post-conflict consolidation of peace. The latter further encompasses DDR (disarmament, demobilization, and reintegration) of combatants into a post-conflict society, the clearing of mines, capacity-building (which includes the training of administrators, judicial and police officers), dispatching election monitors, holding clean and fair elections, establishing a Truth Commission for historical reconciliation, trials for war crimes, humanitarian relief and welfare, as well as the reconstruction of infrastructure such as roads, bridges, schools, and hospitals for society and commerce to begin to function normally again.

While the broader definition of the concept may not pass muster with academics keen on intellectual rigor and conceptual clarity, Tokyo is more concerned about the practicalities of conflict prevention, peace negotiations, and post-conflict reconstruction. Peace-building, to the practitioners, is a useful, overarching, and elastic concept which evolves as it encounters new and often unforeseen circumstances in an unpredictable process, where each internal conflict has its own unique features and context. Indeed, the understanding of the concept for Japanese practitioners has evolved from the narrow to the broad definition.

Earlier, in 2003, Ambassador Akashi Yasushi (former Head of United Nations Transition Authority in Cambodia [UNTAC] and presently Representative of the Government of Japan on Peace-Building, Rehabilitation, and Reconstruction in Sri Lanka) used a narrower definition of post-conflict peace-building: "the twilight zone between the cessation of hostilities and the establishment of solid peace". However, by 2006, Akashi adopted the broader definition that includes preventing conflicts before and after they have erupted rather than just after they have ended. He also noted that, these days, it was not only Japan but the international community as a whole using a broader definition of the term, reflecting the reality that conflict often breaks out again within five years in at least half of the

cases after a peace accord has been forged.¹⁴ The concept, therefore, also includes acting *before* and *during* the outbreak of conflict and not only in a post-conflict situation.

According to Japan International Cooperation Agency (JICA), the terminology is now more broadly defined: "The concept of 'peace-building' then was identified only in post-conflict activities ... [but] currently, the concept of peace-building is an integrated approach which includes conflict prevention, peacemaking and support for reconstruction."¹⁵ JICA is a key implementer of peace-building for Japan guided as it is by the concept of "human security". It is also one of the world's largest aid donors with annual grants totaling one trillion yen (US\$8.5 billion).¹⁶

Besides the preference to stretch the concept of peace-building to cover also pre-conflict and "in-conflict" activities, the Japanese way of peace-building has a strong developmental and non-military component. But just because ODA is a crucial instrument in the consolidation of peace, we should not confuse this activity as synonymous with ODA. Indeed, ODA has evolved over the decades from constituting, initially, reparations to countries invaded by Imperial Japan; later as a wedge to enable Japanese companies to penetrate the economies of recipient countries; as geo-strategic assistance to US allies during the Cold War against the Soviet Union; as a means to win friends in the Third World; and finally as an obligation to assist the poorer countries now that Japan has become the second largest economy in the world.¹⁷ While facilitating peace today is another objective of ODA, considerable aid is also disbursed to recipient states which are not suffering from internal conflicts. Furthermore, the concept is

¹⁴ When I first interviewed Ambassador Akashi Yasushi in 2003, he used a narrower definition of post-conflict peace-building. However, he adopted a broader definition three years later (Akashi Yasushi, interviews by the author on 18 November 2003 and 6 November 2006).

¹⁵ Japan International Cooperation Agency, "JICA Thematic Guidelines on Peace Building Assistance", November 2003, pp. 3–4.

¹⁶ JICA, "The President's Desk", <http://www.jica.go.jp/english/about/pres.html> (accessed 28 April 2008).

¹⁷ David Arase, *Buying Power: The Political Economy of Japan's Foreign Aid* (Boulder, Colo.: Lynne Rienner, 1995).

much broader than the giving of aid. It also entails peacemaking, peace-keeping, and the consolidation of peace in war-torn states and societies.

Another hallmark of Tokyo's peace-building is its aversion to using force due to enduring norms of anti-militarism. Not surprisingly, the Japanese theory and practice of the concept sidesteps and even appears oblivious to the European debate on the appropriate role of force in peace-keeping and intervention in conflict areas suffering from "ethnic cleansing", as in the cases of Bosnia and Kosovo. In the former Yugoslavia, the US undertook bombing raids to coerce the Serbs into accepting the Dayton accords. Launching air strikes by the Self-Defense Forces (SDF) even for the goal of attaining peace is unthinkable to Japanese. Even in UNPKO, the SDF are dispatched to "safe" areas in Cambodia and East Timor, engaging only in logistical support and engineering work and never peace enforcement.

On NATO's role in Kosovo, Eirini Lemos-Maniati writes: "The Kosovo operation was the first sustainable use of force by NATO in its 50-year history. [This was] the first time force was used to implement a Security Council Resolution without specific authorization from the Security Council. [This was also] the first time a major bombing campaign was launched against a sovereign state to bring a halt to crimes against humanity within that country. ... NATO intervened in Kosovo to halt a humanitarian catastrophe and restore stability in a region lying between alliance's member states. Despite strains, the Alliance held together during 78 days of air-strikes in which more than 38,000 sorties – 10,000 of them strike sorties – were flown. Operation Allied Force launched a systematic air-campaign to attack, disrupt and deter further actions."¹⁸

¹⁸ Eirini Lemos-Maniati, "Peace-Keeping Operations: Requirements and Effectiveness; NATO's Role", *NATO-EAPC Fellowship Final Report*, June 2001, p. 28. Lemos-Maniati quotes Manfred Wörner: "The Yugoslav crisis is inevitably changing the way we think about Peace-keeping and Peacemaking ... The old approach of sending a few hundred blue helmets whose authority is based more on what they represent than on their military prowess is no longer sufficient ... we see more clearly that Peace-keeping covers the entire spectrum of operations from humanitarian and police tasks in a non-hostile environment right up to major enforcement actions under Chapter VII of the UN Charter." *Ibid.*, p. 37.

According to Joanna Spear, there appears to be a distinctive European approach to stability and reconstruction operations which includes a limited application of military force in the context of post-conflict reconstruction.¹⁹ But the massive air bombardment by NATO in Kosovo could hardly be called a limited application of military force. Mats Berdal argues that the “peace enforcement” in the case of NATO and UN military action in Bosnia is no longer distinct from “war”. He writes:

The armed forces of several western countries embraced the view that “peace enforcement” constitutes a type of military activity that, while coercive in nature, remains distinct from “war”. This view rests on two basic assumptions: that military force can be used impartially to enforce compliance with a given mandate without designating an enemy, and that using force in this manner will not prejudice the political outcome of the conflict in question. The experience of military operations in support of humanitarian objectives in the 1990s in places like Somalia and Bosnia, however, suggests that these assumptions are empirically unsustainable and optimistic in the extreme.²⁰

Since there can be a thin line between peace enforcement and war, it is constitutionally and politically impossible for the SDF to engage in such military ventures even in a good cause.

Take for example the UN peacekeeping operations in Sudan. Japan clearly lags behind when more than 70 countries including China, South Korea, India, and other Asian nations are already participating in the UN Mission in Sudan (UNMIS) which comprises around 10,000 personnel. In early 2008, Foreign Minister Komura Masahiko said that Japan’s envi-

¹⁹ Joanna Spear, “Is there a Distinctive ‘European’ Approach to Stability and Reconstruction Operations?”, ACES [American Consortium on European Union Studies] Cases on Transatlantic Relations, No. 3, 2004, pp. 27–28.

²⁰ Mats Berdal, Abstract from “Lessons not learned: The use of force in ‘peace operations’ in the 1990s”, *International Peacekeeping*, Vol. 7, No. 4, (Winter 2000), pp. 55-74.

saged deployment is likely to be in southern Sudan and not Darfur, the western region which suffers from a humanitarian crisis. The plan was to send only four SDF personnel to UNMIS headquarters in Khartoum where they would take up desk jobs performing liaison duties and security analysis. The *Japan Times* reported: "After grasping the situation in southern Sudan, Japan will consider whether to dispatch a Ground Self-Defense Force team to engage in such activities such as mine removal and road construction. The Defense Ministry appears to be positive about sending the liaison officers but cautious about the GSDF deployment, the officials said. Overseas deployment of the Self-Defense Forces is a sensitive issue due to restrictions under the Constitution."²¹

Obviously, by relying exclusively on diplomacy, the dispatching of SDF personnel within the UNPKO framework on a case by case basis (where they are kept out of harm's way), and offering developmental aid as an incentive for peace, Tokyo's consolidation of peace approach is different from the more forceful NATO and European models. In spite of the differences, Prime Minister Abe Shinzo proposed further collaboration with NATO during his address to the North Atlantic Council in January 2007: "Japan and NATO are partners. We have in common such fundamental values as freedom, democracy, human rights and the rule of law. It is only natural that we cooperate in protecting and promoting those values. ... Japan and NATO share a common sense of responsibility towards global challenges. We now need to work together more than ever in sharing our capabilities, as we work to consolidate peace in the face of conflict. Over the past decade, Japan has undertaken peace cooperation activities in diverse places including Cambodia, Mozambique, East Timor, the Indian Ocean and Iraq. We have also conducted disaster relief efforts in Pakistan, working side by side with NATO forces."²²

²¹ "Peacekeeping mission to Sudan eyed", *The Japan Times*, 27 February 2008, <http://search.japantimes.co.jp/print/nn20080227f3.html> (accessed 28 February 2008).

²² NATO HQ, "Japan and NATO: Toward Further Collaboration: Statement by Prime Minister Shinzo Abe to the North Atlantic Council", 12 January 2007, <http://www.nato.int/docu/speech/2007/sO70112b.html> (accessed 6 September 2008).

Two potential problems may arise from Abe's proposal for his country to collaborate with NATO. First, Japan and NATO have different strategic cultures towards peace-building. Second, any attempts to deepen the country's collaboration with NATO may lead to the perception that its consolidation of peace is becoming "militarized" or merely a euphemism and a smoke screen for creeping "militarism".

Advent of Japanese Peace-building: Motivations, Norms, and Institutions

The desire by Tokyo to play an active international role beyond economics is not new. Seeking a diplomatic role commensurate with its preeminence as the world's second largest economic power, then Prime Minister Fukuda Takeo articulated in August 1977 his country's first codification of a foreign policy doctrine towards Southeast Asia after World War II.²³ The Fukuda Doctrine states that Japan will not become a great military power, will seek a heart to heart relationship with the Southeast Asian countries, and will play a political bridging role to reconcile the non-communist ASEAN (Association of Southeast Asian States) with communist Indochina for regional peace and stability.²⁴

²³ Sueo Sudo, *The Fukuda Doctrine and ASEAN: New Dimensions in Japanese Foreign Policy* (Singapore: Institute of Southeast Asian Studies, 1992).

²⁴ Prime Minister Koizumi Junichiro mentioned the Fukuda Doctrine in his landmark speech in Singapore on forging an economic partnership with Southeast Asia in January 2002. In the same speech, he also committed Japan to reducing poverty and preventing internal conflict in Southeast Asia. See the Ministry of Foreign Affairs of Japan, "Speech by Prime Minister of Japan, Junichiro Koizumi: Japan and ASEAN in East Asia – A Sincere and Open Partnership", 14 January 2002, www.mofa.go.jp/region/asia-paci/pmv0201/speech.html (accessed 9 April 2008). In July 2006, then Foreign Minister Aso Taro declared in Manila that the Fukuda Doctrine is the "blueprint for Japan's Asia policies". See the Ministry of Foreign Affairs of Japan, "Occasion of Friendship Day Commemorating the 50th Anniversary of Diplomatic Relations between Japan and the Philippines", 23 July 2006, <http://210.163.22.165/region/asia-paci/philippine/remark0607.html> (accessed 9 April 2008).

To borrow Richard J. Samuels' metaphor, the Fukuda Doctrine is qualitatively different from the "pacifist loaf" which Yoshida has baked.²⁵ On the surface it may appear the same bread because the first ingredient of the Fukuda Doctrine is anti-militaristic in its recipe: that Japan will not seek to be a great military power again. But the fundamental difference between the Yoshida and Fukuda Doctrines is that the latter envisages Japan playing an active political role to enhance regional order.²⁶ Unlike Yoshida's "pacifist loaf" which has been sliced away, Fukuda and his successors have added leaven to their "political loaf" which appears much more substantial after the baking process.²⁷ This impulse to play a more active

²⁵ Richard J. Samuels, *Securing Japan: Tokyo's Grand Strategy and the Future of East Asia* (Ithaca and London: Cornell University Press, 2007), pp. 38–39.

²⁶ Michael J. Green describes the Fukuda Doctrine to be merely a "corollary" to the Yoshida Doctrine that "emphasized political interaction with Southeast Asia based on antimilitarism and Japan's growing economic leadership." See Michael J. Green, *Japan's Reluctant Realism: Foreign Policy Challenges in an Era of Uncertain Power* (Basingstoke: Palgrave, 2003), p. 16. In my opinion, Green's interpretation is mistaken because the essence of the Fukuda Doctrine is for Japan to play a more active political role in the region while the Yoshida Doctrine is essentially mercantilist. For an argument that Tokyo has pursued an active foreign policy, at least in Southeast Asia, see Lam Peng Er, "Japanese Relations with Southeast Asia in an era of Turbulence", in Inoguchi Takashi and Purnendra Jain, eds, *Japanese Foreign Policy Today* (New York: Palgrave: 2000), Lam Peng Er, "Japan's Diplomatic Initiatives in Southeast Asia", in S. Javed Maswood, ed., *Japan and East Asian Regionalism* (London: Routledge, 2001), Lam Peng Er, "Japan's Search for a Political Role in Southeast Asia", *Southeast Asian Affairs 1996* (Singapore: Institute of Southeast Asian Studies, 1996), and Lam Peng Er, "Japan and the Spratlys Dispute: Aspirations and Limitations", *Asian Survey*, Vol. 36, No. 10 (October 1996).

²⁷ In May 2008 Prime Minister Fukuda Yasuo launched a new foreign policy doctrine that built on his father's famous Doctrine: "Thirty years ago, in 1977, Japan outlined the principles forming the framework of its diplomacy towards Asia, which later became known as the 'Fukuda Doctrine'. Through these principles, our ideal relationship was spelled out as being somewhat like that of colleagues who share benefits and jointly address problems. It is my firm belief that no other relationship between Japan and the countries of Asia is possible. In that sense, I think, the Fukuda Doctrine is still very much alive ... As for Japan's endeavors in the area of peacebuilding, an area in which we built up our experience in Cambodia and East Timor, Japan recently launched a human resource development program to foster specialists in peacekeeping. It is our goal that in the near

political role to enhance regional order has also informed Tokyo's consolidation of peace.

Another milestone in Japan's quest for a higher political profile was achieved after the first Gulf War in 1991, when it had been roundly criticized for failing to provide manpower despite contributing US\$13 billion to the US-led multilateral coalition against Iraq's invasion of Kuwait. Thoroughly humiliated and stung by international criticisms of its so-called "checkbook diplomacy", Tokyo resolved to play a larger international role that included the dispatching of its Self-Defense Forces in United Nations peacekeeping operations and, subsequently, peace-building in internal conflicts.

To be sure, Tokyo was already interested and involved in the Cambodian peace process before the outbreak of the first Gulf War. Its subsequent participation in the UNPKO in Cambodia, brokering a peace deal when the forces of the two rival prime ministers, Hun Sen and Prince Ranariddh, were on the verge of a civil war in 1997, combined with experience garnered from the postwar reconstruction of Cambodia, gave the Japanese leadership the confidence to build peace in Asia. Indeed, Cambodia was the starting point, frame of reference, and inspiration for subsequent Japanese efforts to address internal conflicts in the region.

There are other considerations to be taken into account in Japan's quest to end civil wars: seeking to do so can possibly burnish the nation's reputation and credibility, and garner international support for its aspiration to obtain a permanent seat in the UNSC; and addressing the problems of internal conflict and its aftermath in Cambodia, Aceh, East Timor, and Mindanao will forestall exaggerated claims that a rising China – particularly through its enticing offer of a Free Trade Agreement (FTA) with the ASEAN states in 2001 – has displaced Japan as the key Asian power in

future, these specialists from Japan and other Asian countries trained here in Japan will travel to areas even outside the Asian region and work shoulder to shoulder as they conduct peacebuilding activities." The Ministry of Foreign Affairs of Japan, "When the Pacific Ocean Becomes an 'Inland Sea': Five Pledges to a Future Asia that 'Acts Together': Speech by H.E. Mr Yasuo Fukuda, Prime Minister of Japan", 22 May 2008, <http://www.mofa.go.jp/region/asia-paci/speech0805-2.html> (accessed 6 September 2008).

Southeast Asia.²⁸ Despite the perception of a rising dragon in the region, the reality is that Beijing lacks the desire, capacity (including resources, knowledge, and ideas), and leadership to mitigate internal conflicts in the region.

In January 2002, against the backdrop of China's FTA overtures to Southeast Asia and the perception by the Japanese media that Beijing had stolen a march on Tokyo, Prime Minister Koizumi Junichiro made a counteroffer of a Comprehensive Economic Partnership with the region at a speech in Singapore.²⁹ In the same speech, Koizumi also proposed a new

²⁸ MOFA made the following pitch for Tokyo to obtain a permanent seat in the UNSC: "Since the end of the Cold War, the United Nations has been challenged by 'new threats' such as poverty, terrorism, infectious diseases, and the proliferation of weapons of mass destruction, in addition to those caused by interstate conflicts. In coping with these new challenges, the Security Council has evolved to acquire new functions: oversight of peace in post-conflict situations and a de facto legislative role. ... Japan has undertaken efforts to implement DDR (disarmament, demobilization and reintegration), nation-building and humanitarian assistance in order to promote human security and consolidation of peace. To date, Japan has engaged in peace-building efforts around the world including Iraq, Afghanistan, Sri Lanka, Mindanao, East Timor, Kosovo and Sierra Leone." The Ministry of Foreign Affairs of Japan, "The UN in the 21st Century: Time to Address New Challenges", October 2004, www.mofa.go.jp/policy/un/reform/address0410.html (accessed 9 April 2008). To be sure, there are many Japanese involved in peace-building who are not driven by the motivation to obtain a UNSC seat for their country.

²⁹ Elsewhere I have written: "Koizumi first ran for a lower house seat in 1969 in Yokosuka, but lost against an opponent from the Tanaka faction supported by the postal interest group. Fukuda Takeo, a faction leader and foe of Tanaka Kakuei (leader of the Tanaka faction—the most powerful and corrupt faction of the LDP), took Koizumi under his wing because Koizumi's father was a personal friend. Koizumi stayed in Fukuda Takeo's house for three months, where the young man was able to meet and build a network of political bigwigs and leaders of interest groups. In 1972, Koizumi ran again and won a seat in Yokosuka. He then joined the Fukuda faction. ... Koizumi was never his grandfather's personal secretary even though it was widely reported by the media that he was." See Lam Peng Er, "Koizumi: The Iconoclast who Remade Japanese Politics", in John Kane, Haig Patapan and Benjamin Wong, eds, *Dissident Democrats: The Challenge of Democratic Leadership in Asia* (New York: Palgrave Macmillan, 2008), pp. 135–36, 145. Interview with Fukuda Tatsuo on 1 November 2006. Fukuda Tatsuo is the grandson of Fukuda Takeo and personal secretary to Fukuda Ya-

role for his country that went beyond a one-dimensional emphasis on economics. He wanted Japan to engage in conflict prevention in East Timor, Aceh, and Mindanao and work towards the eradication of poverty in these areas.³⁰ According to Tanaka Hitoshi (then the Director General of the Asian Bureau, Ministry of Foreign Affairs [MOFA] and later Deputy Minister of Foreign Affairs) who was responsible for Koizumi's speech in Singapore, he and his drafting team were very mindful of the 1977 Fukuda Doctrine and also asked what contributions Japan should make in the different post-September 11 environment.³¹ Arguably, consolidating peace in Southeast Asia is very much in the spirit of the Fukuda Doctrine even though such an activity was not envisaged when the Doctrine was first formulated.³²

In April 2002, Foreign Minister Kawaguchi Yoriko adopted the peacebuilding concept as the basic policy for her country's assistance to Afghanistan.³³ The following month, Koizumi proposed in Sydney that the concept be established as an important pillar in Japanese foreign policy.³⁴ He

suo. Presumably, Koizumi is not ignorant of the Fukuda Doctrine through his long association with Fukuda Takeo and the Fukuda faction.

³⁰ See the Ministry of Foreign Affairs of Japan, "Speech by Prime Minister of Japan, Junichiro Koizumi: Japan and ASEAN in East Asia: A Sincere and Open Partnership", 14 January 2002. I attended Prime Minister Koizumi's speech at the Shangri La Ballroom in Singapore. The Japanese and regional media coverage of the speech highlighted the strategic competition between China and Japan, especially over the utility of Free Trade Agreements to woo the ASEAN states, but failed to take note of his new commitment to conflict prevention in Mindanao, Aceh and East Timor.

³¹ Tanaka Hitoshi, interview by the author on 21 December 2006.

³² Lam Peng Er, "Fukuda Dokutorin 30 shunen to Nihon-ASEAN kankei" [The Fukuda Doctrine and the Future of Japan-Southeast Asian Relations], *Kokusai Mondai*, No. 565, October 2007.

³³ See The Ministry of Foreign Affairs of Japan, "Evaluation of Japan's Peacebuilding Assistance Policy – A Case Study: Afghanistan", Summary Report, March 2006, p. 4, <http://www.mofa.go.jp/policy/oda/evaluation/2005/afghanistan.pdf> (accessed 9 April 2008).

³⁴ MOFA affirms: "Peacebuilding is a multidimensional task that requires a comprehensive and coherent approach. Japan has been promoting the approach of consolidation of peace" and "nation-building" since May 2002, when Prime Minister Junichiro Koizumi first proposed this idea in a policy speech delivered in Sydney, Australia." See Ministry of Foreign Affairs of Japan, *Japan's Efforts on*

remarked: "Since the end of the Cold War, regional conflicts arising from religious and ethnic causes have been rampant the world over. The international society has been engaged in peacekeeping operations designed to consolidate peace and build basic foundations in countries suffering from such conflicts. The Government of Japan will consider how to increase our international role by providing an added pillar for the consolidation of peace and nation building."³⁵

In June 2002, then Chief Cabinet Secretary Fukuda Yasuo established an advisory group led by Akashi Yasushi to examine Japan's international role centered on peacekeeping and peace-building.³⁶ The results of the advisory council's deliberations were released in December 2002 with various suggestions to strengthen the nation's capacity for international peace cooperation. At different international forums such as the United Nations

Peacebuilding: Towards Consolidation of Peace and Nation-Building (Tokyo: Ministry of Foreign Affairs, 2007), p. 1.

³⁵ The Ministry of Foreign Affairs of Japan, "Speech by Prime Minister of Japan: Japan and Australia toward a Creative Partnership at the Asia Society Dinner on 1 May 2002", www.mofa.go.jp/region/asia-paci/pmv0204/speech.html (accessed 9 April 2008). In various speeches Foreign Minister Kawaguchi Yoriko also advocated peace-building as a "new pillar of Japanese foreign policy". See, e.g., Ministry of Foreign Affairs of Japan, "Foreign Minister Yoriko Kawaguchi: Towards a Brighter Future: Advancing our Global Partnership", Federation of Indian Chambers of Commerce and Industry", 8 January 2003, www.mofa.go.jp/region/asia-paci/fmv0301/india/html (accessed 9 April 2008). At her policy speech to the Diet, Kawaguchi said: "In order to permanently resolve regional conflicts in such areas and countries such as Afghanistan, Aceh in Indonesia, and Mindanao in the Philippines, based on the report published by the Advisory Group on International Cooperation for Peace that was announced in December last year [2002], Japan will continue to strengthen its efforts towards a 'consolidation of peace' through the swift and seamless transition from the promotion of peace processes, the securing of domestic stability and security, and to the promotion of humanitarian assistance and recovery and reconstruction assistance." See The Ministry of Foreign Affairs of Japan, "Policy Speech by Minister for Foreign Affairs Yoriko Kawaguchi to the 156th Session of the Diet", 31 January 2003, www.mofa.go.jp/announce/fm/kawaguchi/speech_030131.html (accessed 9 April 2008).

³⁶ Chief Cabinet Secretariat, "Executive Summary of the Report of the Advisory Group on International Cooperation for Peace", December 2002, www.kantei.go.jp/foreign/policy/2002/1218houkoku_s_e.pdf (accessed 9 April 2008).

and the 50th Anniversary of the Asia-Africa Conference in Bandung, Koizumi reiterated Tokyo's commitment to the consolidation of peace.³⁷

Interestingly, Fukuda Yasuo was reputed to be the "shadow foreign minister" when he was in fact chief cabinet secretary. He was also the Chairman of the Japanese Diet Members Friendship Association with Sri Lanka and had visited the troubled island on several occasions. Fukuda was also the Chairman of the Japan-Indonesia Association. Presumably, Fukuda was cognizant of the peace-building challenges in Sri Lanka and Aceh before he became prime minister in September 2007. According to Fukuda, he is keen on peace-building in Sri Lanka, in part, out of a sense of gratitude to the island country for not demanding reparations from Japan after World War II.³⁸

That addressing internal conflicts has become a new pillar of Japanese foreign policy, at least in its official rhetoric, was reflected in the Ministry of Foreign Affairs' various editions of the *Diplomatic Bluebook* and *ODA White Paper*.³⁹ In August 2003, the ODA Charter was revised after

³⁷ According to Koizumi: "The first challenge is the fight against terrorism ... The second challenge is the consolidation of peace and nation-building. Japan attaches great importance to extending post-conflict assistance for the consolidation of peace and nation-building to prevent the recurrence of conflicts." Prime Minister of Japan and His Cabinet, "Statement by Prime Minister Junichiro Koizumi at the 57th Session of General Assembly of the United Nations", 13 September 2002, http://www.kantei.go.jp/foreign/koizumi_speech/2002/09/13speech_e.html (accessed 9 April 2008). See also The Ministry of Foreign Affairs of Japan: "Speech by Mr Junichiro Koizumi, Prime Minister of Japan at the Asia-Africa Summit Meeting at Bandung", 22 April 2005. Koizumi affirmed: "Japan considers peace-building to be of great importance. It is, indeed, peace and security that constitute the requisite basis for economic development. ... Japan has been making efforts towards peace-building, such as in Cambodia, East Timor, and Afghanistan. Japan will be actively providing assistance to the Palestinians for the promotion of peace in the Middle East and to Africa", <http://www.mofa.go.jp/region/asoa-paci/meet0504/speech.html> (accessed 9 April 2008).

³⁸ Fukuda Yasuo, interview by the author on 11 October 2006.

³⁹ On peace-building, see the section on "Comprehensive Approach to Conflicts", 2004 *Diplomatic Bluebook*, pp. 154–60. The *Bluebook* reiterates: "Japan advocates support for the 'consolidation of peace and nation-building' as one of its pillars of diplomacy and international cooperation" (p. 154). On peace-building in Mindanao and that poverty has turned it into a "hotbed for terrorism", see the *ODA White Paper 2002*, chapter two, section 3.

more than a decade with a new emphasis on the consolidation of peace. Shortly after, JICA, the implementation arm of Japanese ODA, produced a manual of guiding principles and best practices for enhancing peace and also established an Office of Peace-building within JICA.⁴⁰ From 2002–03, there was a flurry of peace-building activities such as the appointment of Akashi Yasushi as the Special Representative of the Japanese Government for Peace-building and Economic Rehabilitation of Sri Lanka, and various conferences in Tokyo for reconstruction assistance to Afghanistan, Sri Lanka, and Aceh.

The MOFA has also acknowledged inspiration from global trends and evolving norms towards enhancing peace in the post-Cold War era. It cited the seminal report by UN Secretary-General Boutros Boutros-Ghali's *An Agenda for Peace* in 1992 which emphasized the importance of peace-building. The Ministry of Foreign Affairs also acknowledged the *Brahimi Report* in 2000, which advocated the need to "reassemble the foundations of peace and provide the tools for building something that is more than just the absence of war."⁴¹

Aso Taro, foreign minister in both the Koizumi and Abe administrations and presently the incumbent prime minister, believes that his country can become a "thought leader" in Asia by leading the creation of an Asian "knowledge network", including efforts towards the consolidation of peace. In May 2006, he advocated: "Asia, including Japan, has amassed a wealth of experience in peace building in such locations as Cambodia, East Timor, Aceh and Mindanao among others ... it will be necessary to create a setup through which Asia is able to develop human resources which can successfully work towards peace building, make use of Asia's experiences to date and drawing on knowledge and know-how broadly from around the globe."⁴²

⁴⁰ See Japan International Cooperation Agency, "JICA Thematic Guidelines on Peace-building Assistance", November 2003, pp. 1–65.

⁴¹ Ministry of Foreign Affairs, "Peace-building", in *2006 Official Development Assistance White Paper*. <http://www.mofa.go.jp/policy/oda/white/2006/ODA2006/html/honpen/hp2020400.htm> (accessed 4 October 2007).

⁴² Ministry of Foreign Affairs of Japan, "A Networked Asia: Conceptualizing a Future". Speech by Mr Taro Aso, Minister of Foreign Affairs, on the Occasion of the 12th Nikkei International Conference on the Future of Asia, 26 May 2006,

The Japanese government has also institutionalized the concept within the country and the UN. The MOFA has started a human resource development project at Hiroshima University called "Pilot Program for Human Resource Development in Asia for Peacebuilding".⁴³ The trainees of the inaugural class are engaged in the actual field of peace-building in Kosovo, Sudan, East Timor, and Sri Lanka. A hallmark of this project is the mixture of Japanese trainees and participants from other Asian countries. In January 2008, Foreign Minister Komura remarked: "We all hope that in the future the project will serve as a central hub in Asia for the training of peacebuilders."⁴⁴

In March of the same year, Komura reinforced the idea of Japan as a hub to enhance peace by proposing collaboration with ASEAN, and bolstering PKO centers in Africa such as the Kofi Annan International Peacebuilding Training Center.⁴⁵ Tokyo supported the establishment of the

<http://www.mofa.go.jp/announce/fm/aso/speech0605-2.html> (accessed 9 April 2008). MOFA notes: "In a policy speech delivered in November 2006 entitled Arc of 'Freedom and Prosperity', Minister for Foreign Affairs Taro Aso stated that striving to create affluent, stable regions grounded in such universal values as freedom and democracy is a new pillar of Japanese diplomacy, and that peacebuilding support is an important tool to expand freedom and prosperity throughout the world." See Ministry of Foreign Affairs of Japan, *Japan's Efforts on Peacebuilding: Towards Consolidation of Peace and Nation-Building* (Tokyo: Ministry of Foreign Affairs, 2007), p. 1.

⁴³ According to Professor Shiraishi Takashi, Vice President of the National Graduate Institute for Policy Studies (GRIPS), MOFA initially approached his university to run the peace-building program. Despite its interest in the program, GRIPS had to decline because the envisaged program is not a graduate course and there was no certainty that finances for the program are assured after the first few years. Shiraishi intimated that perhaps money was not forthcoming because of the tight fist of the Ministry of Finance. Shiraishi Takashi, conversation on 13 June 2007. On the Hiroshima Peacebuilders Center set up by Hiroshima University at the request of MOFA, see "Requests pour in for peace training", *Asahi Shimbun*, 16 August 2007, <http://www.asahi.com/English/Herald-asahi/TKY200708160080.html> (accessed 16 August 2007).

⁴⁴ Ministry of Foreign Affairs of Japan, "Speech by Minister for Foreign Affairs of Japan Mr Masahiko Koumura: Japan: A Builder of Peace", 24 January 2008, <http://www.mofa.go.jp/policy/un/pko/speech0801.html> (accessed 9 April 2009).

⁴⁵ Ministry of Foreign Affairs of Japan, "Keynote speech by Mr Masahiko Koumura, Minister for Foreign Affairs of Japan: Building Peacebuilders for the Fu-

United Nations Peacebuilding Commission (PBC) in 2005 by contributing US\$20 million; it is also the Chair of the Commission. Presently, the PBC's role is to advise and strategize towards the consolidation of peace for the UN. Its present focus is Sierra Leone and Burundi with a possible expansion, at Tokyo's suggestion, to East Timor. During agenda-setting at TICAD IV (Tokyo International Conference on African Development) in May 2008 and the G8 Hokkaido Toyako Summit in July the same year, PBC Chairman Takasu Yukio also pointed out that peace-building is a priority issue in Japan.⁴⁶

That Japan has institutionalized a peace-building center in Hiroshima and presides over the PBC in the UN is not only a response to the rise of civil wars and ethnic conflicts after the end of the Cold War, but is also a consequence of developments in Japan's domestic politics. With the near-demise of the main opposition party, the Japan Socialist Party (JSP), the ruling Liberal Democratic Party (LDP), and its junior partner New Komeito (Clean Government Party) can commit the country to UNPKO. New Komeito's manifesto declared that it "believes that the central principle that shapes and drives Japanese foreign policy must be the need to address human security issues, in which all humanity is free from the specter of terrorism, poverty, war infectious diseases and other scourges. Given this commitment, we hold that Japan must embrace a new vision for peace, one based on the strategic use of its foreign aid and active cooperation with international peace building efforts in regions torn by conflict and war."⁴⁷

The pacifist JSP advocated unarmed neutrality and vehemently opposed UNPKO in Cambodia. In this regard, the JSP subscribed to "one-

ture", 24 March 2008, <http://www.mofa.go.jp/policy/un/pko/symposium0803-s.html> (accessed 9 April 2008).

⁴⁶ Ministry of Foreign Affairs of Japan, "Statement by H.E. Mr Yukio Takasu, Permanent Representative of Japan Chairperson of the Peacebuilding Commission at the Open Debate of the Security Council on Post-Conflict Peacebuilding", 20 May 2008, <http://www.mofa.go.jp/announce/speech/un2008/un0805-5.html> (accessed 29 August 2008).

⁴⁷ New Komeito, "Manifesto 2003: As a Nation of Peace and Humanitarianism", p. 3, <http://www.komei.or.jp/en/policy/manifest/index.html> (accessed 4 April 2008).

country pacifism” with an abiding fear that dispatching the SDF abroad is a recipe for disaster because the nation will slide down the slippery slope of “militarism”. It was also suspicious that the US-Japan alliance was an entangling one which would suck Tokyo into Washington’s wars if the SDF were to be dispatched abroad, or if Article 9 revised. Though the party purportedly supported a UN-centric foreign policy, it did not accept that the SDF was used for UNPKO. Ironically, despite the JSP’s identity as a “peace-loving” political party, it opposed peace-building abroad if the SDF is involved.⁴⁸

In contrast, the Democratic Party of Japan (DPJ), the main opposition party today, is supportive of UNPKO and peace-building. DPJ President Ozawa Ichiro has advocated that Japan must actively participate in UNPKO to become a “normal” country in the international system. The DPJ has presented its vision of a new government in power: “In the Asian-Pacific region, the new government of Japan will deepen its cooperation with the United States in such areas as the Proliferation Security Initiative (PSI), nation building in developing countries, and peace building. When dealing with global issues that extend beyond the Asian-Pacific Region, such as in the Middle-East and Africa, Japan will send its Self-Defense Forces overseas, in principle, only under UN auspices. ... The new government of Japan will actively extend contributions to UN peace-building activities, particularly in Asia. It will review and revise the current five principles of PKO participation in alignment with the international standard.”⁴⁹

Public opinion has also become more receptive to UNPKO and the consolidation of peace as Japan’s desirable role and contribution to the international community (see Table 1). According to an October 2007 public opinion survey on foreign affairs commissioned by the Chief Cabinet Secretariat, peace-building (44.6 percent) was second only to addressing

⁴⁸ On the JSP’s ideological factions and Sohyo, its leftist trade union sponsor, which prevented the main opposition party from adopting a more realistic and active foreign policy, see Lam Peng Er, *The Japan Socialist Party and Defence Policy in the 1980s*, Masters dissertation, Australian National University, 1986.

⁴⁹ Democratic Party of Japan, “Toward Realization of Enlightened National Interest: Living Harmoniously with Asia and the World”, May 2005, <http://www.dpj.or.jp/english/vision/summary.html> (accessed 4 April 2008).

global environmental problems (58.0 percent) as the most popular and appropriate role the country should play in international society (see Table 2).

Table 1
Japanese Participation in UNPKO (%)

1. Should be more active than present level	26.9
2. Should continue at present level	49.1
3. Should participate but at a lower intensity	15.5
4. Should not participate	3.3
5. Others	0.6
6. Don't know	4.7

Source: Naikakufu daijin kambo seifu kohoshitsu, *Gaiko ni kansuru yoron chosa* [Public opinion survey on foreign affairs], October 2007, pp. 4–5.

Table 2
Japan's Appropriate Role in International Society (%)

1. Addressing global environmental problems	58.0
2. Conflict resolution and international peace cooperation	44.6
3. Humanitarian assistance to refugees	25.6
4. Promote universal values: rule of law, human rights, freedom and democracy	19.1
5. Contribute to a healthy global economy	17.8
6. Cooperate to develop poorer countries	11.9
7. Assist in cultural exchange including the preservation of cultural artifacts	4.7
8. Others	0.2
9. Nothing in particular	0.7
10. Don't know	3.4

Source: Naikakufu daijin kambo seifu kohoshitsu, *Gaiko ni kansuru yoron chosa*, October 2007, pp. 7–8.

Moreover, the media across the ideological spectrum is also very supportive of peace-building. Even the left-of-center *Asahi Shimbun*, which used to criticize the dispatch of SDF for UNPKO, had a change of heart and advocated in an editorial: "Looking at the world's conflict zones, we see that nearly half of those that sign a peace agreement fall back into

armed conflict within five years. Sri Lanka is about to go down that path. Peace-building, by nature, is not simple. Japan should make peace-building efforts – the process of helping establish peace in conflict zones – a major pillar of its diplomatic policy.”⁵⁰

The fundamental turnaround of the *Asahi Shimbun's* outlook is worth quoting at length: “Throughout the postwar period, our predecessors at the *Asahi Shimbun* agonized over what to make of relations between the Constitution, the SDF and the Japan-US Security Treaty. On the 50th anniversary of war’s end in 1995, we insisted in our special editorials for the occasion that the only way in which Japan could coexist with the international community was for it to remain a nonmilitary power. We took the position that Japan should be a conscientious objector nation, and argued that since the scope of the SDF’s activities must be limited strictly to defending Japanese territory, an entity independent of the SDF ought to be dispatched to UN-led peacekeeping operations (PKOs). In the 12 years since then the global situation has changed drastically. Japanese public opinion has undergone some transformation, too, from believing in ‘isolationist’ pacifism to being more proactive in the creation of peace. As for PKOs, we changed our position in September 2002, based on our assessment of SDF achievements. Specifically, we stated in an editorial that PKO participation should be included among SDF duties. Our proposal today – that we attach importance to UN-led peace-building activities – is a corollary to what we said in September 2002.”⁵¹

⁵⁰ See “Editorial: Sri Lanka ceasefire ends”, *Asahi Shimbun*, 29 January 2008, <http://www.asahi.com/english/Herald-asahi/TKY200801290047.html> (accessed 29 January 2008). Another *Asahi Shimbun* editorial states: “Activities for post-conflict recovery support by the international community have tended to require longer periods as seen in the former Yugoslavia and parts of Africa. Western countries are thus stepping up their efforts to train peace-builders. Japan, too, must follow such examples and create a ‘peace-building team’ of registered civilian experts who can be dispatched promptly when the need arises. Japan should play a major role in such international efforts, and thus demonstrate to the world its new devotion to peace.” See “Editorial: Post-conflict assistance”, *Asahi Shimbun*, 30 July 2007, <http://www.asahi.com/english/Herald-asahi/TKY200707300087.html> (accessed 11 December 2007).

⁵¹The *Asahi Shimbun's* editorial marked the 60th anniversary of Japan’s postwar constitution by making a clarion call for peace-building. See “Asahi Proposal:

Japanese civil society and non-governmental organizations (NGOs) have also become increasingly engaged in consolidating peace. Unlike the state which is driven primarily by the prevailing interpretation of national interest, ordinary citizens are motivated by altruism and have boldly volunteered for humanitarian assistance in seemingly remote places like Afghanistan, Aceh, and East Timor. However, NGOs have limitations because of the inherent dangers in conflict areas, and the lack of financial and personnel resources. The MOFA would often warn its citizens against going to certain unstable and dangerous destinations. In conflict areas such as Mindanao, Aceh, and Sri Lanka, diplomats and JICA staff are indispensable for peace-building projects. NGOs can only play a larger role after the conflict has ended.

Within the state, various ministries and organizations have institutionalized peace-building.⁵² In the MOFA the International Peace Cooperation Division, the Foreign Policy Bureau, and the United Nations Bureau work with the various regional Bureaus and country desks within the same bureaucracy. There is also the International Peace Cooperation Headquarters, a Cabinet Office with a secretariat. It comprises the prime minister, the deputy chief (chief cabinet secretary) and representatives from various ministries. Its primary role is to co-ordinate the ministries to support peace cooperation abroad. JICA implements developmental assis-

Japan's new strategies", *Asahi Shimbun*, 4 May 2007, <http://www.asahi.com/English/Herald-asahi/TKY200705040046.html> (accessed 4 May 2007).

⁵² The Japanese state is notoriously segmented. Although the Cabinet Office, MOFA, and JICA have their specialized international peace cooperation divisions, there is a "silo mentality" because they do not always share information and strategies, and coordinate with each other. They are very busy "doing their own thing" and the left hand may not know what the right hand is doing even within a big ministry or organization. On 29 November 2006, I gave a public lecture on Japan's peace-building in Mindanao at the Japan Institute of International Affairs (JIIA) which was attended by officials from the Cabinet Office, MOFA, JICA, and the Japan Defense Agency dealing with international peace cooperation. I have kept in touch with some of them and met for drinks as an informal group to share stories and common interests. I discovered that even though they are engaged in international peace cooperation for a common cause, there is not much interaction between them and their colleagues across ministerial and organizational lines.

tance for peace and has a network of offices and staff in Asia to perform this task. Peace-building ambassadors were also appointed to Afghanistan (Ogata Sadako) and Sri Lanka (Akashi Yasushi). Besides these roving representatives, Japanese ambassadors and their diplomatic staff stationed in various countries suffering from internal conflict have the responsibility to pursue and consolidate peace in concrete ways.

A significant institutional development is that international peace cooperation is becoming a primary mission for the SDF. The *2008 Defense of Japan White Paper* states: "The Defense Agency became the Ministry of Defense (MOD) on January 9, 2007. At the same time, international peace cooperation was positioned as the primary mission of the Self-Defense Forces (SDF). The MOD/SDF is an organization that bears the role of securing the peace and independence of Japan, the most fundamental role to the nation's existence. The two major steps of making the transition to the MOD and stipulation of international peace cooperation activities as the primary mission of the SDF were carried out in order to respond more precisely to today's important challenge of coping with the issues of security and crisis management."⁵³

The SDF today has the professionalism, expertise, and enthusiasm to participate in such endeavors based on its valuable institutional memories in Cambodia and East Timor. Once international peace cooperation has been redefined as a primary mission for the SDF, it will make the necessary organizational, personnel and training, and hardware changes. This move is extremely significant for the SDF because its primary role is no longer just to defend the home islands and function as an auxiliary provider of logistical support to the US military in "areas surrounding Japan", but also participates in international peace cooperation in its own right. A key challenge for the country's consolidation of peace is not whether the SDF is ready, but whether Japan's political leaders are ready and have the will to act. With the principle of civilian control enshrined in postwar Japan, the SDF will go anywhere to participate in UNPKO once there is a permissible legislative framework and a cabinet decision to do so.

⁵³ *2008 Defense of Japan White Paper*, p. 114.

Even before the Japan Defense Agency (JDA) was renamed as the Ministry of Defense (MOD), it already saw the consolidation of peace as a useful role and opportunity to forge closer cooperation with the defense establishments of other countries. For example, the JDA organized the 9th Forum for Defense Authorities in the Asia-Pacific Region (9th Tokyo Forum) in October 2004 drawing participation from 22 countries. Its agenda was three-fold: to discuss the "roles of Armed Forces in Peace-building", "National Defense Policies", and "Possibility of International Cooperation in Peace-building".⁵⁴ In September 2007, the MOD organized the 12th Tokyo Defense Forum which drew participants from 25 countries and focused on "Efforts for Peace-Building in Peacetime", "National Efforts for Peace-Building", and "International Efforts for Peace-Building in Peacetime".⁵⁵

There is also an emerging epistemological community of practitioners, politicians, and academics interested in enhancing peace. Prominent among them are Akashi Yasushi and Ogata Sadako (President of JICA and former United Nations High Commissioner for Refugees). Politicians and NGO activists include LDP politician Yamanaka Akiko (a member of Akashi's advisory group on peace-building), and Isezaki Kenji (former district administrator in East Timor and head of DDR in Afghanistan).⁵⁶ Active

⁵⁴ Japan Ministry of Defense, "The 9th Tokyo Defense Forum Summary by the Chair", 20 October 2004, http://www.mod.go.jp/e/publ/t_d_forum/2004.html (accessed 2 September 2008).

⁵⁵ Japan Ministry of Defense, "The 12th Tokyo Defense Forum Summary by the Chair", 20 September 2007, http://www.mod.go.jp/e/publ/t_d_forum/2007.html (accessed 2 September 2008).

⁵⁶ See, e.g., Yamanaka Akiko, *Yume aru mirai e: Ningen no anzen hoshō* [Having a dream towards the future: Human security] (Tokyo: Kakugawa shoten, 2006) and Shinoda Hideaki and Uesugi Yuji, eds, *Funso to ningen no anzen hoshō: Atarashii heiwa kochiku no aporochi o mitsumete* [Conflict and human security: A search for new approaches of peace-building] (Tokyo: Kokusai shoin, 2005). Hoshino Toshiya argues that Japan has a "comparative advantage" in "an era of peace-building". See his "The Peacebuilding Equation: Human Security and Rebuilding the Functions of Government", *Gaiko Forum*, Vol. 19, Winter 2007, pp. 19–28. For a comprehensive review of peace-building, see the special issue titled "Heiwa kochiku to iu profeshon" [Peace-building profession], *Gaiko Forum*, November 2006, pp. 21–62. See also Katsumi Ishizuka, "Japan's New Role in Peace-

and retired diplomats including Japanese ambassadors to Cambodia and East Timor have also highlighted Japan's peace-building role in the mass media, journals and books. The country's premier think-tank in the area of foreign policy and international relations, the Japan Institute of International Affairs (JIIA), has also held many conferences on the consolidation of peace.⁵⁷ A few of its younger scholars are concentrating on peace-building research, in part, because they believe that it is a "growth industry" in their country and will be a good career move.⁵⁸

Conclusion

Despite an emerging national consensus on peace-building as the new pillar in Japanese foreign policy, the government continues to proceed very carefully and eschews any involvement which might expose its police or the SDF to danger in conflict situations. The UNPKO legislation, rules of engagement for the SDF, and the interpretation of Article 9 of the constitution are very restrictive and legalistic. As a result of the country's strict legalism on the sensitive issue of dispatching troops abroad, the SDF can engage only in logistical and engineering support in UNPKO and not frontline peace enforcement like the troops of other nations.⁵⁹

Another limiting feature of Japan's peace-building role is the political impossibility of sending the SDF abroad if it is not within the legal frame-

Building Missions", *East Asia: An International Quarterly*, Vol. 23, No. 3 (Fall 2006), pp. 3–21.

⁵⁷ See, e.g., The Japan Institute of International Affairs and the Ministry of Foreign Affairs, "From Peacekeeping to Peace-building: Japan's Role", An International Symposium, 5–7 February 2002, and the Japan Institute of International Affairs, "The Road to Stability in Timor-Leste: UN Peace-building Support and Japan's Role", Symposium, 14 March 2007. The JIIA also has issued an excellent special issue on peace-building in its journal: "Shuten: Heiwa kochiku" [Focus: Peace-building], *Kokusai Mondai*, No. 564 (September 2007), pp. 1–33.

⁵⁸ During a four month stint at the JIIA between September and December 2006, I had the opportunity to interact with a few young scholars at JIIA who were conducting research on peace-building in Afghanistan, East Timor, Sudan, and Haiti, as well as domestic conflict in Central Asia.

⁵⁹ The Cabinet Legislative Bureau provides legal counsel to the cabinet and has been influential in the legal interpretation of Article 9 and whether Japan can engage in collective security.

work of UNPKO and international humanitarian assistance (such as after the tsunami in Aceh).⁶⁰ Dispatch of the SDF to take on “terrorism” and performing refueling duties in the Indian Ocean or pursue duties in Samawah, Iraq, requires special legislation. If the SDF or police were to suffer from major casualties in future UNPKO, it is not inconceivable that a domestic political crisis might erupt and public opinion could possibly turn around quickly and demand the withdrawal of its peacekeepers from harm's way. The national consensus on the consolidation of peace, therefore, might turn out to be quite fragile.

Even though it can be a risky enterprise, the threshold for casualties is very low for Japan given its domestic politics and well established norms of anti-militarism. Not surprisingly, Tokyo has refused to send the SDF to join the International Monitoring Team in Mindanao, the Aceh Monitoring Mission, or the Sri Lanka Monitoring Mission because these were not formally endorsed by the UNSC.⁶¹ However, the dispatch of SDF personnel to Cambodia and East Timor was possible under UNPKO legislation. Given the persistent strategic culture of anti-militarism in Japan, we can anticipate it seeking to play a more active peace-building role abroad on a selective basis but not in failed states where the SDF might be imperiled.

⁶⁰ The two general laws which permit the dispatch of the SDF abroad are the International Peace Cooperation Law and the Japan Disaster Relief Team Law. The special laws are the Anti-Terrorism Special Measure Law and the Special Measures Law for Humanitarian and Reconstruction Assistance in Iraq.

⁶¹ Former Prime Minister Abe Shinzo, a nationalist who wanted to jettison Article 9, did not try to pass special legislation to permit the SDF to join the International Monitoring Team in Mindanao and the Sri Lankan Monitoring Team even though Tokyo was engaged in peace-building in these two regions. Although rightwing LDP politicians may rail against the post-World War II pacifist regime (which they believe constrains Japan from becoming a “normal” state), they have yet to prevail against the enduring political culture of anti-militarism.

Managing Threats in the Asia-Pacific Region: A New Role for the ASEAN Regional Forum (ARF)

Benny Teh Cheng Guan*

Introduction

Asia-Pacific has become a much more complicated and multifaceted region than was previously the case. Security concerns are not only deep-rooted but have also evolved. These can be observed from the international relations of state and non-state actors in recent years. In the realm of the former, the political economic dynamics of the region, specifically in East Asia, ensures the continued interest and involvement of various powers, both major and small. In the past, this used to be mainly informed by strategic geopolitical considerations. It still does, mainly because of unsettled interstate conflicts.

However, security concerns are intermeshing, if not playing second fiddle, with trade and economic development as globalization and the rise of China have set a new scene for economic competition. East Asia accounted for 25.3 per cent of world trade in 2007, compared to 38.4 and 16.3 per cent for Europe and North America, respectively.¹ The economic importance of the region to the global economy is well established. It is precisely for this reason – specifically the realization of a tri-polar world economy – that external states with vested interests seek to secure their share of the pie and ensure the region remains open. With strong institutional mechanisms still lacking and the principles of sovereignty and non-intervention strictly adhered to, the Asia-Pacific region remains a chess-

* Benny Teh Cheng Guan is Lecturer, School of Social Sciences, University Science Malaysia, Penang, Malaysia.

¹ *UNCTAD Handbook of Statistics, 2008*, available at http://www.unctad.org/en/docs/tdstat33_en.pdf. Here, East Asia covers the ASEAN+3 countries plus Hong Kong and Taiwan, while Europe and North America refers to the EU and NAFTA respectively.

board of power politics and thus there remains the potential for conflict between state actors.

In the Asia-Pacific region, non-traditional security threats have over the years been raised to the echelon of states and taken prominence in international politics.² The most visible threat is terrorism. The attacks on the World Trade Center and the Pentagon in 2001 showcased the capability of non-state actors to cause fear and destruction.³ The actions clearly received the attention of world leaders. Subsequently, counter-terrorism became the new recipe for cooperation between states. To be sure, terrorism is not a new phenomenon. It has existed for centuries and comes in different forms and guises.⁴ Terrorist attacks were often sporadic and easily controlled using state machineries. What set the current wave apart are the complexities and extensibilities of terrorist organizations like Al-Qaeda and Jemmah Islamiyah. A stark contrast to the communist insurgencies of the 1950s and 60s in Southeast Asia, the current situation entails much more organized, trained, and financially well-funded entities that are beyond the capacity of states to combat without concerted efforts.

In addition to terrorism comes a wide range of other non-traditional threats such as drug trafficking, money laundering, and weapons proliferation, which have been known to be closely related to terrorist activities. Added to the list are maritime security threats, intellectual property piracy, human trafficking, illegal migration, environmental destruction, and communicable diseases, all of which transcend the delineation of traditional state boundaries thanks to the advent of globalization.

All these mean that states must not only move beyond bilateral alliances in seeking more innovative ways to reduce mistrust and suspicion,

² The term non-traditional security refers closely to human security and is used to contrast with traditional security that refers to the security of states. It is used for comparison and does not carry the meaning of "new" as to refer to a recent phenomenon.

³ Some saw the attack as an act of war while others went as far as to compare it with the Pearl Harbor attack during World War II.

⁴ See Richard Clutterbuck, *Guerrillas and Terrorists* (London: Faber and Faber, 1977). Examples are the African National Congress's activities in the 1980s, the Oklahoma City bombing in 1995, and the Sarin gas attack by Aum Shinrikyo in 1995.

but also cooperate among themselves and with other actors such as regional non-governmental bodies in order to manage threats stemming from non-traditional sources. Thus, adopting balance of power policies as Gerald Segal suggested in 1997 would be unwise and ineffective considering the scope and diversity of security threats that manifest themselves in the Asia-Pacific region. He also called for the strengthening of regional institutional mechanisms.⁵ Since the Asian financial crisis in 1997–98, a number of regional cooperation frameworks have evolved, namely ASEAN+3 (APT) and the East Asia Summit (EAS), adding to the list of existing frameworks, that is, the Association of Southeast Asian Nations (ASEAN), the Asia-Pacific Economic Cooperation (APEC), and the ASEAN Regional Forum (ARF).

Among them, the ARF stands out primarily because it is the earliest post-Cold War framework dedicated to enhancing security cooperation and has expanded to include an impressive pool of member states that would give it the legitimacy to shoulder and manage peace in the region. However, the ARF has at times been criticized as inept. While acknowledging that there is ample room for improvement, this chapter takes the position that the ARF can be the right model for regional security cooperation if its role and purpose are redefined in sync with the current security landscape. This is a more viable step than to call for new security frameworks⁶ that could further drain resources and complicate cooperative processes, and add to a plethora of overlapping and competing models of cooperation in the region.

⁵ Two other steps are the enhancement of economic interdependence and the establishment of democratic political systems in the region. See Gerald Segal, "How Insecure Is Pacific Asia?," *International Affairs*, Vol. 73, No. 2 (1997), pp. 235–50.

⁶ See Yoon Young-Kwan, "Toward a New Security Order in Pacific Asia," in Simon S. C. Tay, ed., *Pacific Asia 2022: Sketching Futures of a Region* (Tokyo: Japan Center for International Exchange, 2005), pp. 178–91, and Hitoshi Tanaka, "East Asia Security Building: Toward an 'East Asia Security Forum'," *East Asia Insights*, Vol. 2, No. 2 (2007), pp. 1–4. Such calls are generally due to the perceived ineffectiveness of existing frameworks but one too many often leads to unnecessary overlapping and competition.

The ARF in Retrospective

The roots of the ARF date back to the 1980s, when calls for an Asian version of the Conference for Security and Cooperation in Europe (CSCE) were made by various quarters, primarily the Soviet leader Mikhail Gorbachev (1986, 1988) but also Australia (1990). Other proposals came from Canada and South Korea.⁷ Meanwhile, in Southeast Asia, early calls came from Track II actors, such as the ASEAN Institutes of Strategic and International Studies (ASEAN-ISIS), eager to push for the establishment of a regional security mechanism inspired by the CSCE. A year prior to the official creation of the ASEAN-ISIS in June 1988, Malaysia's Institute of Strategic and International Studies (ISIS-Malaysia) initiated an Asia-Pacific Roundtable (APR) and called for ASEAN to consider establishing a multilateral security forum capable of addressing security concerns. The APR would later become an annual event aimed at providing policymakers and scholars in the Asia-Pacific with a venue to discuss and exchange viewpoints.

Initially, ASEAN was not too keen to sponsor a new multilateral dialogue as it probably did not see the necessity to do so since there already existed the Post-Ministerial Conference (PMC). However, talks about establishing a CSCE-like security forum coming from outside of Southeast Asia naturally troubled ASEAN as it feared being marginalized as well as being subjected to the possibility of a rule-based security framework that could well collide with its own norms and principles.⁸ To avoid such a likelihood, it realized that it should take control.

In 1991, a memorandum proposing the formation of an Asia-Pacific political and security dialogue was issued under the ASEAN-ISIS to the leaders of ASEAN for consideration at the 1992 Summit in Singapore.⁹ In

⁷ Daljit Singh, "Evolution of the Security Dialogue Process in the Asia-Pacific Region", in Derek da Cunha, ed., *Southeast Asian Perspectives on Security* (Singapore: Institute of Southeast Asian Studies, 2000), p. 40.

⁸ Leszek Buszynski, "The Development of ASEAN," *Asia Pacific Series No. 8, IUJ Research Institute Working Paper*, International University of Japan, Niigata (1999), <http://www.iuj.ac.jp/research/archive/wpaper/wpap008.html>.

⁹ ASEAN Institutes of Strategic and International Studies, "A Time for Initiative: Proposals for the Consideration of the Fourth Asean Summit," Jakarta, June 4, 1991.

order for ASEAN to take the lead, it was proposed that the discourse would follow the annual PMC meetings and this was agreed by the leaders as they noted the need to intensify “external dialogues in political and security matters” with states in the Asia-Pacific.¹⁰ The agreement paved the way for a historical decision to establish the ARF at the ASEAN foreign ministers’ meeting in July 1993. A month earlier, a wider Track II network known as the Council for Security Cooperation in the Asia Pacific (CSCAP) was set up with the ASEAN-ISIS as one of its founding members. CSCAP then became the main Track II process serving the ARF.

The first ARF meeting was held on July 25, 1994, and it was agreed that the meeting was to be convened annually. It was formed with the intention of engaging countries in the Asia-Pacific in constructive dialogue on political-security issues that were of common interest and concern to all members. Essentially, the aim was to make it serve as a cooperative security forum to discuss regional threats and conflicts in a post-Cold War setting. It was hoped that the new body would fill the void left by the end of the East-West rivalry. Despite its name, the ARF was intended to cover the entire geographical sphere of the Asia-Pacific region.

The end of the Cold War resulted in a vacuum, and left countries in the region in a state of uncertainty. This was because what was once a predictable pattern of relations had suddenly become blurry and unpredictable. States were unclear over their roles and the role of others due to the changing security landscape. A number of Cold War issues were left unsettled and resulted in the possibility of conflicts, disputes, and war flaring up.¹¹ At the beginning of the 1990s, the Korean Peninsula continued to be divided, the Taiwan issue was still unresolved, territorial disputes in East Asia lingered on, matters pertaining to war reparations continued to thwart the improvement of relations among Northeast Asian states, and other legacies of the Cold War era still remained. In addition, the region witnessed the awakening of the “sleeping giant” China, causing

¹⁰ Asean Secretariat, “Singapore Declaration of 1992,” Singapore, January 28, 1992, <http://www.aseansec.org/5120.htm>.

¹¹ See Richard K. Betts, “Wealth, Power and Instability: East Asia and the United States after the Cold War,” *International Security*, Vol. 18, No. 3 (1993/94), pp. 34–77.

countries to fear that it would try to reclaim, through military means, its Middle Kingdom status it had once enjoyed.

Thus, the ARF was primarily about building mutual trust and understanding. More precisely, it was to work to “bring about a more predictable and constructive pattern of relations in the Asia Pacific.”¹² In order to do so, it needs to build confidence among members in order to facilitate an open and frank consultation based on the guiding principles of the ASEAN Way. Confidence-building is a key component and the first of a three-stage evolutionary approach (preventive diplomacy and elaboration of approaches to conflict being the second and third respectively) in the ARF to enhancing peace and security.

These approaches, specifically the first one, were to be carried out based on the ASEAN experience and through the implementation of concrete measures. ASEAN saw its strength in reducing tensions among its member states through the practices of consultation (*musyawarah*) and consensus (*muafakat*), believed to “provide a valuable and proven guide for the ARF.”¹³ The ASEAN Treaty of Amity and Cooperation (TAC) was endorsed in the first meeting as the code of conduct governing relations between the ARF members. With regards to concrete measures, various short- and long-term measures such as the adoption of comprehensive approaches to security, exchanges between military academies, and mechanisms to mobilize relief assistance in the event of natural disasters, to name a few, were identified.

While ASEAN was keen to promote its diplomatic culture in a wider cooperative framework beyond the walls of ASEAN, the rationale of the ARF was also informed by pragmatic realism.¹⁴ Firstly, its survival as a small/middle power actor requires the support of great/major powers that have the capability to influence world history. Quite a number of treaties and declarations such as the ASEAN TAC, ZOPFAN (Zone of Peace, Free-

¹² Asean Secretariat, “Joint Communiqué of the Twenty-Seventh ASEAN Ministerial Meeting,” Bangkok, July 22–23, 1994, <http://www.aseansec.org/3665.htm>.

¹³ Asean Secretariat, “The Asean Regional Forum: A Concept Paper,” <http://www.aseansec.org/3635.htm>.

¹⁴ See Ralf Emmers, *Cooperative Security and the Balance of Power in ASEAN and the ARF* (London: Routledge Curzon, 2003).

dom, and Neutrality), SEANWFZ (Southeast Asia Nuclear Weapons Free Zone) and AFTA (ASEAN Free Trade Area) are geared towards engaging the major powers in issues of concern to ASEAN. Even as early as 1973, Singapore's then Foreign Minister Sinnathamby Rajaratnam clearly stated that "[i]f during the past five years Asean economic cooperation has not produced dramatic results, it is largely because Asean has concentrated on promoting intra-regional cooperation. This is of course necessary... But it is also necessary for Asean to examine ways and means of attracting extra-regional interest in and involvement with Asean."¹⁵

Obviously, ASEAN realizes that any changes in the regional political economy will have an impact on Southeast Asia. Through the ARF, ASEAN can take charge and control the direction and outcomes of cooperation. The ARF provides a venue for ASEAN to ascertain its post-Cold War significance and avoid political marginalization.¹⁶ It is also probably due to the lesson learnt from ASEAN's dealings with APEC.¹⁷

Secondly, the major powers themselves saw the usefulness of the ARF as a multilateral platform for security discussion at a time when none of them was in a position to introduce one. As noted earlier, other countries such as Russia, Japan, Canada, and Australia did come up with proposals for a multilateral institution but none materialized. The United States under the George H. W. Bush Administration was firmly against any notions of replacing bilateral alliances with a region-wide security format. A change in U.S. administration from Bush to Clinton enabled the ARF to meet with a favorable response.¹⁸ Other major powers were willing to go along with ASEAN's arrangement partly because the ARF was an outgrowth of the Post-Ministerial Conference that they had had experience with and knew what to expect from. As Khong aptly noted: "A major reason why the U.S. and Japan threw their weight behind ARF was

¹⁵ Sinnathamby Rajaratnam, "Opening Address by Singapore's Foreign Minister at the Sixth Asean Ministerial Meeting," Thailand (April 16, 1973).

¹⁶ Emmers, *Cooperative Security*, p. 31.

¹⁷ ASEAN was particularly skeptical of APEC's formation. Due to this, some members like Malaysia pushed for a different model, i.e., the East Asia Economic Caucus. This idea did not materialize but was "incorporated" into the APEC structure while ASEAN shifted its focus to the development of AFTA.

¹⁸ Yoon, "Toward a New Security Order in Pacific Asia," p. 188.

that...fifteen years of 'PMC-ing'...has turned it into a formidable institution [...]."¹⁹ The introduction of a separate institution was deemed necessary in order to involve the major communist states, China, Russia, and Vietnam, who were not dialogue partners at that time. Security dialogue would prove futile if these countries were left out. The ARF process thus provides a channel for the major powers to engage each other and with member countries other than ASEAN in building trust and reducing conflicts through constructive cooperation.

In essence, the ARF as a partnership for security cooperation is informed by both realist and constructivist explanations. What was important to ASEAN was to establish a forum that moves at a pace comfortable to all and forge a consensual approach to security issues in recognizing the diversity of members in the group. Thus, it was made clear from the onset that no institutionalization was expected in the initial phase and "no voting will take place" (since any attempts to do so would be seen as going against the prevailing norms and practices of ASEAN).²⁰

However, the question is how far the ARF can continue on its current path of minimal institutionalization and its prime focus on Confidence-Building Measures (CBMs) and state security in maintaining its relevance in a post-post-Cold War era. Explicitly, to what extent have CBMs generated a more predictable and constructive pattern of relations in the Asia-Pacific? And, how effective is the ARF's concerns with state security issues in moving the ARF forward towards the next level of preventive diplomacy and beyond? In discussing these key questions, the chapter covers four main sections. In the first section, an account of the formation and nature of the ARF was discussed.

The next section takes a closer look at the ARF's achievements since its inception. Despite criticisms, the ARF has come a long way in serving as a platform for dialogue on regional security matters. The third section deals with the various challenges that the ARF faces, informed by both

¹⁹ Quoted in Ranjit Gill, *ASEAN Towards the 21st Century: A Thirty-year Review of the Association of Southeast Asian Nations* (London: ASEAN Academic Press, 1997), p. 183. The PMC started as early as 1974 when Australia became ASEAN's first dialogue partner.

²⁰ Asean Secretariat, "The Asean Regional Forum: A Concept Paper."

internal and external dynamics. In the final section, discussion focuses on the streamlining of the ARF through recommendations for policy consideration that could allow it to play a more relevant role in managing peace and security in the Asia-Pacific – and to provide a stronger institutional framework in regulating interstate relations and reducing the dependency on balance of power strategies.

As anticipated, this chapter is not without its caveats. Discussions are based on the assumption that ASEAN intends to develop and keep the ARF significant as well as that ASEAN will remain the key driving force behind ARF. In fact, the Bali Concord II declaration in 2003 lends support to this by reaffirming that the ARF is the primary forum for security cooperation in the region.

What has the ARF Achieved?

Japan's former Foreign Minister Yohei Kono once remarked that "let us confirm that we will make steady efforts together in order to rear this child called ARF...to an adult in its own right."²¹ The ARF turns 14 years old in 2008. As a "teenager," it has managed to attain some modest achievements.

Firstly, it has succeeded in spreading the ASEAN experience to non-ASEAN members. In doing so, they have come to identify the ARF process with the ASEAN way of cooperation. As the ARF consists of member states with different political orientations, ideological leanings, and belief systems, increasing their "comfort levels" to generate a feeling of openness and respect for one another was of paramount importance. It should be recalled that most of the major powers have participated in PMC meetings and are aware of ASEAN's diplomatic culture. However, new members were unacquainted with the ASEAN Way and wary of the motives of others. It is also noteworthy that this was the first time since the end of the Cold War that major powers from the East and West with stakes in the Asia-Pacific gathered to discuss security issues of mutual concern in a multilateral setting.

²¹ Quoted in Gill, *ASEAN Towards the 21st Century*, p. 182.

The first step of confidence building was thus appropriate and necessary. This has helped in creating a more favorable environment for all to discuss security related matters. Dialogue periods have also been extended as more issues get discussed. Increasingly, major powers such as China that were highly skeptical at the beginning have projected a more positive attitude, with China becoming one of the main proponents of regional cooperation. This, in turn, has enabled ASEAN members to see China as less of a threat. It is in itself a significant achievement. The ARF process has been able to contribute in bringing the different members together through shared norms and values in the course of creating a more predictable and secure relationship.

Secondly, it has been an essential avenue for the building of networks among ministers, senior officials, defense personnel, and other policymakers in sustaining cooperative behavior beyond ministerial meetings. This is also closely related to the first point in that building confidence and reducing distrust needs to involve all levels and not purely the ministerial level. The role of the ARF Senior Officials Meeting (ARF-SOM) features prominently, as the bulk of cooperative activities is carried out here. Certainly it would be meaningless to hold a day of ministerial meetings each year without the necessary preparations. Thus, an Inter-sessional Support Group and various Inter-sessional Meetings were set up as early as 1995 to look into areas of cooperation.

Logically, the Inter-sessional Support Group would focus on CBMs. In 2005, it was replaced with the Inter-sessional Support Group on CBMs and Preventive Diplomacy, which reflected the intention to move towards the second stage of preventive diplomacy. On Inter-sessional Meetings, the earliest two were on Search and Rescue Cooperation and Coordination and on Peacekeeping Operations. A year later, one on Disaster Relief was established and, in 2002, another on Counter-terrorism and Transnational Crime was set up. Since they are co-chaired on a yearly basis, their mandates are extended annually. On top of these meetings is a range of workshops and seminars covering security issues such as Financial Measures against Terrorism in 2002, Energy Security in 2006, and Peacekeeping in 2007, to name but a few.

The ARF is not a defense alliance, but it has provided important opportunities for defense and military officials to discuss and exchange views. This trend is supported by the ARF ministers, according to whom it is essential not only for the officials to understand the political mindset of security cooperation but also to provide opportunities for networking and socialization as part of the confidence building process. As early as 1995, the ARF-SOM called for greater participation in inter-sessional activities and recommended a meeting of heads of national defense colleges. Following up on this, the first meeting of Heads of Defense Colleges and Institutions was held in 1998 that has since become a yearly event.

In 2001, the ministers endorsed ARF-SOM's recommendation to include a Defense Officials Luncheon in the Inter-sessional Support Group as a regular feature.²² Since 2002, the defense officials have met a day prior to the ARF ministerial meetings. Building upon the Concept Paper on Defense Dialogue within the ARF proposed by Singapore in 2001, what once started as an informal gathering has been elevated to an ARF Defense Dialogue as another step to widen their engagement and involvement. Perhaps the value of such interactions was on display when 21 member nations successfully carried out an ARF Maritime Security Shore Exercise for the first time in January 2007. In 2008 Jakarta played host to a desktop exercise on disaster relief that could lead to a practical joint exercise in the future.

At this juncture, it should be recalled that the role played by Track II, particularly CSCAP and ASEAN-ISIS, has been indispensable in contributing to the achievements of the ARF in support of Track I activities. In providing intellectual input, the Track II process has come up with various policy recommendations such as papers on the future of the ARF (1997) and on the concept and principles of preventive diplomacy (2001). The latter was adopted by the ARF. Hence, it is not difficult to understand why the ARF senior officials included the enhancement of linkages between the two Tracks as one of nine recommendations on the future direction of the ARF for endorsement in 2002.

²² Asean Secretariat, "Chairman's Statement of the 8th ASEAN Regional Forum," Ha Noi, July 25, 2001, <http://www.aseansec.org/3560.htm>.

Thirdly, the role of ARF in the region has been encouraged by the fact that more and more countries are attracted to joining the Forum. This is an achievement in itself as countries outside the organization recognized its significance as the foremost multilateral institution in the Asia-Pacific dedicated to security cooperation. As one of the representatives involved in the negotiation for North Korea's membership, Domingo Siazon wrote: "No other arrangement could have convinced North Korea to join a security forum."²³

At its inception, ARF had 18 members – six ASEAN members, seven dialogue partners, two consultative partners, and three observers.²⁴ In 1995 Cambodia joined when it was given observer status in ASEAN. This was followed by India and Myanmar (1996), Mongolia (1999), North Korea (2000), Pakistan (2004), Timor-Leste (2005), Bangladesh (2006), and Sri Lanka (2007). At present, the ARF has a total of 27 members, just as numerous as the EU, with three more waiting for their application to be considered, namely Kazakhstan, Kyrgyzstan, and Afghanistan. All of them have been lobbying to get their applications approved.²⁵

Prior to 1996, the criterion for membership was based on whether the applicant was an observer, consultative or dialogue partner of ASEAN. While this still stands, other criteria were devised to streamline and accommodate requests that fall outside of this measure. Agreed and adopted by the ARF ministers at the 3rd ARF meeting in Jakarta, the four key criteria are: 1) ASEAN members (including those with observer status) are automatically guaranteed participation (but not the opposite), which blunts U.S. and EU objections and guarantees Myanmar's membership in the ARF but not Timor-Leste's in ASEAN; 2) new members must abide and respect prior statements and must be a sovereign state, which effectively

²³ Domingo L. Siazon, Jr., "ASEAN is on the right track with ARF," *The Japan Times*, August 3, 2002, <http://search.japantimes.co.jp/cgi-bin/ea20020803a1.html>.

²⁴ The ASEAN-6 were Brunei, Indonesia, Malaysia, Philippines, Singapore, and Thailand; dialogue partners were Australia, Canada, EU, Japan, New Zealand, South Korea, and the U.S.; consultative partners were China and Russia; and observers were Laos, Papua New Guinea, and Vietnam.

²⁵ Tony Hotland and Kornelius Purba, "ARF marks 15th year, divisions remain over future," *The Jakarta Post*, July 24, 2008, <http://www.thejakartapost.com/paper/2008-07-24>.

dissolves any chances of Taiwan participating in the future; 3) the ability to demonstrate an impact on the security of the region; and 4) all decisions must be taken by consensus.

These criteria are seen as an effort to control the expansion of the Forum in light of the interest shown by outside countries. While countries like Mongolia and Bangladesh were admitted with little difficulty, others such as Pakistan and Timor-Leste had a tougher time in regard to the fourth criterion. The former's entry was blocked by India and a few others, until 2004 that is, while the latter got itself entangled in the issue of ASEAN and ARF memberships.²⁶ North Korea's case raised a few objections as well, specifically from the Philippines which was suspicious of the former's involvement in "aiding Filipino rebel movements."²⁷

Fourthly, as a gathering of diverse groups of countries such as the United States, China, Pakistan, and North Korea, the ARF has provided a valuable space for bilateral or smaller group informal sessions carried out on the sidelines of the ministerial meetings to discuss sensitive issues of specific interest. For example, representatives of the U.S. and North Korea met for a meeting lasting fifteen minutes in 2002. Also Japanese representatives met North Koreans in 2000 and again in 2002. South Korea, China, and Japan also used the ARF to hold trilateral talks in 2002. When Pakistan came on board, it took the opportunity to discuss bilateral issues with India. In 2006 Malaysia, Indonesia, Pakistan, and Bangladesh met with Iran to discuss Israel's attacks on Lebanon and the Gaza Strip. Washington and Seoul met in 2007 to discuss the Korean hostage issue. An informal meeting of the Six-Party Talks was also convened in 2008 to discuss denuclearization.

Finally, the various ARF declarations and statements on political and security issues have demonstrated a degree of solidarity, unity, and maturity. Condemning the terrorist acts of 9/11, the members have taken a

²⁶ Rodolfo C. Severino, *Southeast Asia in Search of an ASEAN Community: Insights from the Former ASEAN Secretary-General* (Singapore: Institute of Southeast Asian Studies, 2006), pp. 78–9 and 196–7. India dropped its objection of Pakistan when it agreed not to use the forum to raise bilateral issues.

²⁷ Aidan Foster-Carter, "O Paek, opaque: North Korea, not ARF that is," *Asia Times Online*, July 25, 2001, <http://www.atimes.com/koreas/CG25Dg03.html>.

united stand on Cooperative Counter-terrorist Actions on Border Security, on Cooperation Against Piracy and Other Threats to Maritime Security, on Information Sharing and Intelligence Exchange and Document Integrity, and on Disaster Management and Emergency Response, among others. The Statement on Measures against Terrorist Financing, for example, explicitly listed concrete steps member states are required to take to block terrorists' access to the financial system in line with measures identified by the United Nations, which clearly exemplifies the resoluteness of members to cooperate.²⁸ With intensifying cooperation, the level of camaraderie went up a notch when the ARF Fund was established in 2005 for the implementation of projects and activities. Since 2007, voluntary contributions have flowed in from Indonesia, Pakistan, the Philippines, New Zealand, Singapore, and the United States. Another example of solidarity was in August 2007, when the ARF members came out with the strongest support for South Korea in condemning the hostage taking and brutal killing of its nationals in Afghanistan. In 2008 the ministers showed their resolve through the Singapore Declaration "to undertake *concrete* and *practical* cooperation to address issues of common interests."²⁹

Current Challenges Facing the ARF

The ARF has certainly evolved in noteworthy ways. Yet, it stands at the brink of oblivion in a rapidly changing environment. This is due to the constraints and new challenges that are plaguing and restraining its potential. Just as teenagers of today can no longer rest on their laurels and need to strive harder to stay competitive and ahead of time, the ARF needs to reorganize its priorities and move at a quicker pace.

Internal Constraints

The ARF's ability to function as a successful organization in managing security threats is primarily restricted by its internal structure. First, the lev-

²⁸ Asean Secretariat, "ARF Statement on Measures Against Terrorist Financing," Bandar Seri Begawan, July 30, 2002, <http://www.aseansec.org/12004.htm>.

²⁹ Asean Secretariat, "Singapore Declaration on the 15th ASEAN Regional Forum," Singapore, July 24, 2008, <http://www.aseansec.org/21822.htm> (emphasis added).

el of institutionalization is limited. In order to focus on confidence building, members have kept institutionalization at a minimum. This has come at the expense of the Forum – often charged as just a “talk shop.” The ARF’s former Secretary-General Rodolfo Severino defended this as “extremely useful in dealing with sensitive regional-security issues.”³⁰ Considering the differences among members and their level of mistrust towards one another, increasing their “comfort levels” is of importance. However, engaging in dialogues, seminars, and workshops without the aim of establishing proper formal mechanisms to ensure that norms, values, and behavioral practices get institutionalized would leave the Forum weak and statements made go unnoticed.

This is reflected in the ARF’s inability to react to the situation in East Timor or to play a meaningful role in any of the conflicts plaguing the Asia-Pacific region. The ARF has lurked in the shadows of the Six-Party Talks when the latter featured prominently in searching for ways to defuse North Korea’s nuclearization plans. In this and most other instances, the Forum could at best show support through its yearly statements. Therefore, is the ARF going to remain merely a talk shop or move towards a real security organization? The 2003 Bali Concord II and the 2008 Singapore declarations have highlighted the Forum’s primacy in security cooperation. Nonetheless, such declarations have not been effectively matched with the efforts to achieve the level of institutionalization needed to put the organization at the forefront of promoting peace in the region.

Closely related to the first point is the problem of the ARF process that ultimately hinges on the norms of self-restraint and conflict avoidance. Hence the CBMs – endeavors geared towards the identification and socialization of member states in the adoption and nurturing of the norms of cooperation so as to influence the generation of self-control among members. The onus is on the states themselves and, therefore, produces neither mechanisms to ensure compliance nor solutions to overcome threats. Part of the problem is the overzealous protection of the principles of sovereignty and non-interference in domestic affairs, especially among

³⁰ Severino, *Southeast Asia in Search of an ASEAN Community*, p. 190.

the smaller member countries that limits any proactive attempts at establishing firmer rules to regulate members' behavior.

This directly leads to the third constraint and that is the inability to move from CBMs to preventive diplomacy and conflict resolution. Due to the efforts of maintaining nominal institutionalism, the members have not produced any roadmaps, visions, guidelines, or blueprints to steer and sustain cooperation. This is in stark contrast to ASEAN's own organizational structure or even ASEAN+3. Through the East Asia Vision Group (EAVG) and East Asia Study Group (EASG), short- and long-term measures have guided the ASEAN+3 process. Thus, there are no milestones to evaluate the goals of cooperation and the right time to move beyond CBMs. Adding more members over the years has contributed to the problem as decisions now require consensus from more parties than before. This has resulted in dissatisfaction among the members. As one of the founding members, the EU has lamented on the slow progress. In 2004 the EU's representative, Javier Solana, called openly for the ARF to exert "a more *forceful* role in settling and preventing regional disputes by beefing up its preventive diplomacy and venturing into conflict resolution."³¹

Then, there is the problem of ownership. Year after year, ASEAN's members seek support from non-ASEAN members to remain as the primary driving force behind the ARF. The chairmanship and the hosting of ministerial meetings are the prerogative of ASEAN and ASEAN alone. The setting of the agenda and the crafting of the chairman's statement are, therefore, prepared and determined by the host nation. The refining of draft statements, however, does take into consideration the interests of all members. It is thus not surprising that some delegations requested omission of certain passages, such as the fatal shooting incident at Mt. Geumgang, North Korea, in the 15th ARF Chairman's Statement.³² In other words, ASEAN has the upper hand in ensuring the direction and outcome

³¹ "EU wants ASEAN security forum to broaden its remit," *The America's Intelligence Wire*, June 30, 2004, http://www.accessmylibrary.com/coms2/sum_mary_0286-21809089_ITM (emphasis added).

³² "N. Korea pushed ARF to omit concern over shooting incident," *Asian Political News*, July 28, 2008, http://findarticles.com/p/articles/mi_m0WDQ/is_2008_July_28/ai_n27972368?tag=content;coll.

of cooperation and in making sure that they do not go against the norms, principles, and interests of ASEAN. Only at the senior official's level could non-ASEAN members play a greater role, and even then activities are co-chaired between an ASEAN and a non-ASEAN member. While this chapter has earlier exemplified the significance of the ASEAN Way in increasing the "comfort levels" of participants, such continuity could prove disparaging should the Forum fail to cultivate a sense of belonging among all members, which is vital in assuring the success of the ARF.

External Developments

The Asia-Pacific security landscape has changed. Having become regional and global in scope, non-traditional threats can no longer be the sole concern of national states, thus necessitating that governments work more closely with one another. Organized crime, human and drug trafficking, intellectual property piracy, arms smuggling, bribery, and even communicable diseases easily transcend national borders. Many of these threats are interconnected and involve vast networks of organizations.

Al-Qaeda has been known to be involved in a spate of activities ranging from drugs production and arms smuggling to the purchase of biological, chemical, and nuclear weapons materials.³³ It has international links with militant groups such as the Moro Islamic Liberation Front (MILF), Jemaah Islamiyah, and Abu Sayyaf – and these groups are interlinked with other smaller groups in the Asia-Pacific region.³⁴ Opium produced in Myanmar, Laos, and Thailand is distributed across Southeast Asia through organized criminal groups to other parts of the world. Through the network of organized criminal groups, women from neighboring countries are being trafficked or smuggled to work in the sex industry in countries like Japan and Thailand. The scale of such activities highlights the capability of criminal groups to circumvent state power.

If multinational corporations invest and expand their businesses legally for profit, traffickers and criminals use unscrupulous tactics to gen-

³³ Paul L. Williams, *The Al Qaeda Connection: International Terrorism, Organized Crime, and the Coming Apocalypse* (Amherst, NY: Prometheus Books, 2005).

³⁴ See Paul J. Smith, ed., *Terrorism and Violence in Southeast Asia: Transnational Challenges to States and Regional Stability* (New York: M. E. Sharpe, 2005).

erate illegal trade for profit. They take advantage of the lack of coordination and weak law enforcement within and among states. The successful escape of a key member of Jemaah Islamiyah, Fathur Rohman al-Ghozi, in the Philippines in 2003, for example, was believed to have been the fault of corrupt police officers.³⁵ Obviously, counter-terrorism efforts would fail unless similar efforts in other areas are beefed up as well. Due to the lucrative business, traffickers and other criminals have become bolder and more daring in recent years. The rapid industrialization and democratization of regional states have also resulted in more sophisticated forms of organized crime.³⁶ If criminal groups in Malaysia did not have the capability to take apart stolen cars and bikes quickly to avoid detection, they now do. The scale of transnational crime and its increased sophistication are putting pressure on states to rethink their sacred principles of non-intervention and increasingly identify creative ways to manage transnational threats.

Not only are states confronted with non-traditional threats but old-fashioned military threats continue to be a bane for interstate relations. Border disputes such as between China and India and territorial disputes such as the Spratly and Senkaku islands are real and unresolved. The coupling of traditional and non-traditional threats increases insecurity and complicates and weakens a state's ability to respond.

All these should have placed the ARF at the core of regional cooperation in finding solution to security threats. It would not only be the right place to address such daunting issues, but also the best place to combat transnational crime through proactive mechanisms. Unfortunately, largely predisposed to national interests, the Forum has moved too slowly, if not stunted, in keeping ahead of regional developments. As a result, it has problems handling diversities that require a comprehensive approach to security. The most obvious is its lack of ability to move from CBMs to pre-

³⁵ David Wright-Neville, "US Counter-terrorism in Southeast Asia: Problems on the Horizon," in Marika Vicziany, David Wright-Neville, and Pete Lentini, eds., *Regional Security in the Asia Pacific: 9/11 and After* (Cheltenham: Edward Elgar, 2004), pp. 54–55.

³⁶ Richard H. Ward and Daniel J. Mabrey, "Organized Crime in Asia", in Philip L. Reichel, ed., *Handbook of Transnational Crime & Justice* (California: Sage Publications, 2005), p. 388.

ventive diplomacy. This problem is due to the objective of the three-stage approach introduced in 1995 that focuses chiefly on managing state security. The Concept and Principles of Preventive Diplomacy adopted in 2001 clearly defined preventive diplomacy in state terms and applied it “to conflicts between and among states.” This slows down the ARF process and also overlooks the importance of preventive diplomacy in non-traditional security cooperation.

As if these challenges are not enough, the region is also witnessing an increase in multilateral cooperation of multiple levels. Since the ARF’s establishment, there has been a rise of inter-governmental organizations that are potentially competing. They overlap and create a high possibility of diluting and reducing the Forum’s significance as the main driver of managing threats in the Asia-Pacific. APEC, for example, has shifted its orientation since 9/11, when it issued its first counter-terrorism statement. Beginning in 2003, it has integrated economic and human security issues into its framework as it saw the effects of security threats on the economy. Then there is the East Asia Summit, established fairly recently as a forum to discuss strategic issues such as energy, natural disasters, infectious diseases, and climate change between a smaller group of countries, all members of the ARF.

The ASEAN+3, involving an even smaller group of countries, has generated extensive cooperation in the area of finance and economics and has more recently ventured into other areas such as tourism, health, labor, and agriculture.³⁷ Though not dealing with defense at the ministerial level, it organized a workshop on disaster relief in 2007 in China’s Hebei province involving armed forces of member states. It would not be surprising if defense cooperation becomes another feature of the ASEAN+3. Another arrangement is the Singapore Shangri-La Dialogue – a closed door gathering of defense ministers and military chiefs from 27 countries, who engage in free discussion without issuing any statements. The close interaction

³⁷ For an account of APT’s cooperative processes, see Benny Teh Cheng Guan, “The Converging and Diverging Aspects of East Asian Political Regionalism,” in Takehito Onishi and Benny Teh Cheng Guan, eds., *The Shape of the East Asian Economy to Come: Lonely Rhetoric or Global Reality* (Newcastle: Cambridge Scholars Publishing, 2007), pp. 13–44.

between military officers and government officials and the strategic security issues discussed makes these meetings significant.

Another organization is the Shanghai Five which was established in 1996. It was renamed as the Shanghai Cooperation Organization (SCO) in 2002 when it was expanded to six members.³⁸ Mongolia, India, Pakistan, and Iran are observers, while Belarus, Nepal, and Sri Lanka have expressed their intention to become observers. One of the successes of the SCO is its ability to go beyond confidence building to engage in practical cooperation. It has conducted three biennial large-scale joint military exercises. The latest took place in August 2007 and focused on anti-terrorism. In 2002 a Charter was worked out and since then cooperation has expanded to cover economics and trade as well as defense and transportation. In 2007 the Treaty on Long-term Good-Neighborliness, Friendship, and Cooperation was signed, evidencing that trust has reached a new level. Another forum involving Central Asian countries is the Conference on Interaction and Confidence Building Measures in Asia (CICA). Established in 2002 with Summit-level meetings once every four years, it has 18 members with Indonesia, Japan, Malaysia, Ukraine, the United States, Vietnam, and the League of Arab States as observers. Focusing on political and security cooperation, it aims to eventually establish a transcontinental "Conference on Security and Cooperation in Eurasia," along the lines of the CSCE.

Within ASEAN, there have been new developments that could well reduce the need for the ARF. In line with establishing the ASEAN Security Community (ASC) as a pillar, the ASEAN Defense Ministerial Meeting (ADMM) was introduced in 2006; adding one more to the existing string of high-level meetings. Subsequently, a concept paper on an ADMM-Plus has been put forward, and should this be adopted, it would provide a platform for the engagement of extra-regional countries. According to this concept paper, ASEAN has "to actively engage friends and Dialogue Partners...as ASEAN's future is increasingly intertwined with that of the larger Asia-Pacific region...The ADMM-Plus will allow us to draw on the va-

³⁸ SCO members include China, Kazakhstan, Kyrgyzstan, Russia, Tajikistan, and Uzbekistan, and exemplifies China's resolve to take a leadership role in regional security cooperation.

ried perspectives and resources of a wide range of non-ASEAN countries... [It will] enable ASEAN to position itself to influence the development of constructive relationships between the major powers."³⁹ This sounds all too familiar and when coupled with the PMC, where would this leave the ARF?

Outside of Southeast Asia, there have been new developments as well. Since the breakthrough negotiation on the North Korean nuclear issue in the Six-Party Talks in Beijing, a joint statement was adopted in September 2005 to establish a peace regime in Korea and a multilateral security entity for Northeast Asia. Since February 2007, five working groups have been set up. One is led by Russia and will study the possibility of creating a Northeast Asia Peace and Security Mechanism (NAPSM). In support of this idea, the then South Korean President, Roh Moo-Hyun, wrote that he hoped to see the Six-Party Talks transform into "Six Party Foreign Ministers Talks."⁴⁰ The current U.S. administration is in full support and Track II institutions such as the Stanley Foundation and the University of California Institute on Global Conflict and Cooperation are actively promoting this idea. Even Mongolia did not want to be left out. At a 2007 speech in Washington, President Nambaryn Enkhbayar expressed Mongolia's willingness to host a working group session on the NAPSM and to be an active member of it.⁴¹ Certainly, the prospect of a permanent security mechanism does not bode well for the ARF or ASEAN, as the latter is extremely worried that it will lose its driver's seat and be marginalized should the gravity of cooperation shift northwards.

³⁹ Asean Secretariat, "ASEAN Defence Ministers' Meeting-Plus (ADMM-Plus) – Concept Paper," <http://www.aseansec.org/21216.pdf>.

⁴⁰ Roh Moo-Hyun, "On History, Nationalism and a Northeast Asian Community," *Japan Focus*, May 19, 2007.

⁴¹ Nambaryn Enkhbayar, "Mongolia's Foreign Policy: Efforts Towards Regional Peace and Security," Address by the President of Mongolia at the Center for Strategic and International Studies, Washington, D.C., October 23, 2007, http://www.mongolianembassy.us/eng_news_and_events/newsevents_October2007.php.

Reconceptualizing the ARF in Managing Security Threats

With the challenges that the ARF faces, it needs to redefine its purpose in order to remain germane and valuable. Discussion in this section centers on two aspects – the refocusing of aims, and institutional enhancement.

Central to the refocusing of aims is to move beyond CBMs by taking into consideration the current security landscape. Instead of a concern with the traditional notion of CBMs and therefore getting stuck at stage one, it should redirect its aims to focus more on non-traditional security. This could eventually pave the way for more efficiently resolving inter-state conflict as states become more entrenched in cooperating with one another through transnational issues. As such, preventive diplomacy should not be narrowly defined but incorporate a more comprehensive security outlook. Preventive diplomacy is, after all, about preventing threats from escalating and harming peace and security. In his speech at the July 2008 ARF meeting, Chinese Foreign Minister Yang Jiechi proposed “conducting preventive diplomacy mainly to guard against and cope with cross-border issues and non-traditional security challenges, especially strengthening dialogue and cooperation in the fields of disaster relief, fighting against cross-country crimes, anti-terrorism and marine security.”⁴²

Indeed, terrorism, maritime piracy, and organized crime threaten regional security. With increased migration accompanying globalization, these threats can only be managed through regional cooperation. While they do not directly challenge the survival of the state they nonetheless constitute common concerns to all members and are therefore appropriate for a gathering like the ARF. This allows for the leveraging of best practices and the support of policy adaptation and implementation. More significantly, it provides an excellent opportunity to bring back the concept of human security that seemed to have taken a back seat after 9/11.

In essence, the ARF should adopt a two-pronged approach. One centers on traditional security whereby CBMs could help to mitigate distrust and suspicion among members. The other would focus on human security

⁴² Consulate General of the People’s Republic of China in San Francisco, “Yang Jiechi Attends the ASEAN Regional Forum Foreign Ministers’ Meeting,” <http://www.chinaconsulatesf.org/eng/xw/t478452.htm>.

in the area of preventive diplomacy. Greater emphasis should be placed on human security considering that interstate issues are concomitantly addressed in other multilateral platforms. Human security would provide the mechanism necessary to address cross-border non-traditional threats but also intrastate conflicts that are not part of the three-stage evolutionary approach introduced in 1995. The idea of human security was promoted by the United Nations Development Programme (UNDP) with its 1994 annual report that expanded the concept of security to take into account also the safety of people's lives on a par with (and not a subset of) state security. Since then, Japan and Canada, both members of the ARF, have taken the lead in further developing the idea. It is beyond the scope of this chapter to discuss its development in detail. Suffice to note that Japan has pushed for the promotion of freedom from want as well as freedom from fear, while Canada has largely focused on the latter, though it has begun to incorporate the former into its framework in recent years.⁴³

By adopting human security, efforts to address non-traditional security issues could be carried out more systematically. At present, however, there is neither a clear approach nor a direction of ideas on how cooperation should progress. As a start, the Forum needs to identify the parameters for developing cooperative mechanisms. Firstly, it must categorize and prioritize threats to human security that member countries deem central. Non-traditional threats should be clearly sorted into man-made and natural threats. This can be done with the help of the seven human security categories developed by the UNDP.⁴⁴

Secondly, in line with the freedom of fear and freedom of want, two processes could be initiated. The first would be to come out with measures on the agreed threats that relate to "freedom of want" such as reducing

⁴³ Freedom from want focuses on economic, social, and cultural rights, while freedom from fear centers on civil-political human rights. See, e.g., Bennett Richardson, "The Emergence of a Comprehensive Approach to Human Security: Implications for Human Rights in Asia and Beyond," paper presented at the International Development Studies Conference on Mainstreaming Human Security: The Asian Contribution, Bangkok October 4–5, 2007, <http://humansecurityconf.polsci.chula.ac.th/Documents/final.html>.

⁴⁴ The categories are economic, food, health, environmental, personal, community, and political securities.

the risk of criminal attacks, domestic violence, smuggling, piracy, drug use, poverty, health pandemics, and environmental depletion. These are shared threats that are less cumbersome to tackle collectively. The second process would be on issues related to “freedom of fear” such as human rights violation, political and civil oppression, torture and kidnapping. This stage would require political will and maturity as it involves humanitarian engagement.

Intellectual support from Track II bodies such as CSCAP and Japan Center for International Exchange (JCIE) should be sought since they have done commendable work to promote the cause of human security. Not only that but the implementation of policies adopted would also require states to work closely with Track III entities, that is, non-governmental organizations (NGOs). The support of NGOs in taking human security measures is of paramount importance since they are more focused on specific issues and are people-oriented. NGOs have been known to have the size and reach, the flexibility and adaptability, as well as the willingness and ability to address political and transnational threats as well as the strength to contribute lastingly.⁴⁵ Thus, the ARF would serve as the institution that provides the cooperative framework for NGOs to operate. Funding could come from the ARF Fund to assist NGOs working in support of its cause.

Obviously, member states too need to come up with measures that they can take such as upgrading intelligence sharing systems and integrating them into INTERPOL’s global databases. Other measures may include the setting up of a regional early warning system on natural disasters and infectious diseases. Poorer states would have to invest in up-to-date technologies and get “wired up” if the tracking and nailing of underworld criminals and terrorists in the region are to yield results.

However, strengthening CBMs and moving into preventive diplomacy necessitate higher levels of institutionalization. This brings us to institutional enhancement. Though the ARF was founded more than a decade ago, it has paid little attention to enhancing its institutional structures.

⁴⁵ Sarah Michael, “The Role of NGOs in Human Security,” *Hauser Center for Non-profit Organizations Working Paper No. 12* (2002), http://www.hks.harvard.edu/hauser/active_backup/PDF_XLS/workingpaper_12.pdf.

Aiming to bridge adversaries and move at a pace comfortable to all, the Forum deemed it as essential to limit institutionalization during the initial phase of cooperation. Nonetheless, its inability to institutionalize over the years when compared to the progress made in the ASEAN+3, the Shanghai Cooperation Organization, and APEC, clearly showed that political will has been lacking. South Korea, for example, has been instrumental in setting the course for developing the ASEAN+3 process. China's active participation in regionalism is evident in the ASEAN+3, the East Asia Summit, and the Shanghai Cooperation Organization.

Thus, institutionalizing the ARF is very much overdue. The points below illustrate some of the key steps that should be taken in regard to the ARF.

1. The most vital step towards enhancing the organization's clout is to produce a blueprint that consists of a vision, mission, measures, and plan of action. It is high time that it moves beyond the dependency on concept papers to concrete roadmaps focusing on ways to achieve desirable outcomes. Resources and manpower should be consolidated and guided by clear objectives. Obviously, this requires a lot of effort.
2. Logically, an ARF Secretariat should be established. This can significantly help to reduce the workload of the ASEAN Secretariat and provide long-term institutional support for the ARF chair that changes each year. At present, the ARF Unit within the ASEAN Secretariat is the only body providing support to ARF activities and it is understaffed and under-resourced.
3. A summit meeting involving the heads of state and government should be set up and regularized. This will give the ARF a much needed boost by showing the leaders' preparedness to place the Forum at the center of regional security cooperation and determination to develop it beyond mere dialogue.
4. The chair of the ARF should be rotated beyond the confines of ASEAN just as is the case with APEC. If "a successful ARF requires the active, full and equal participation and cooperation of all participants," as spelled out in the 1995 ARF Concept Paper, how can one expect non-ASEAN members to develop a sense of belonging and contribute as

- equals in a grouping that ASEAN zealously controls?
5. The ARF should enhance and strengthen its ties with other regional entities. Its relationship with Track II processes should be buttressed and eventually formalized. A new relationship with Track III consisting of NGOs needs to be added. To identify and take on the root causes of security threats requires a comprehensive and multifaceted approach. It should also consider cooperating and coordinating its activities with APEC especially on human security issues. Trade liberalization ought to progress in tandem with human development to protect the people from adverse effects and unwanted impacts.
 6. There should be greater flexibility in the decision-making process. Considering the large number of participants, the ASEAN formula of minus-X could be introduced. This will allow certain members to move forward with activities without full consensus such as in carrying out measures for promoting human security. It could then serve as platforms for others to join when they are ready to do so. Further development and political maturity would provide the opportunity for the consideration of majority voting as an option.
 7. The ARF Fund must be expanded to involve all members of the ARF. Now only a small number of countries are contributing. ASEAN as the driver of the organization definitely needs to play a more proactive role in its contribution. It should also get the non-ASEAN members to contribute theirs. In order to do so, the terms of reference must be clearly laid out to determine each member's contribution and how the funds will be used. If each member contributes a small sum of US\$100,000 as a start, this would generate US\$2.7 million. A good comparison is APEC that has received US\$3.3 million annually since 1999, which goes into funding its secretariat and various projects and is expected to increase to US\$5 million from 2009 onwards.
 8. It is imperative that the ARF refrain from further expansion for the time being. It is the largest regional organization in the Asia-Pacific. Yet, unlike the EU, it does not have strong institutional structures in place to sustain the momentum. Further expansion will only have adverse effects on the consolidation and implementation of projects and activities. At the moment, the Forum has enacted a moratorium on

membership and this should be maintained.

9. ASEAN should also consider easing up on its control over the Forum. While ASEAN's role in providing the impetus for multilateral cooperation must be acknowledged, the ARF should not be by ASEAN for ASEAN.⁴⁶ If the ARF is to be the driving force in shaping the political and security landscape of Asia, non-ASEAN members should be given equal role in its development. Besides, there are other frameworks in place that address its security concerns such as the ASEAN Security Community, the Post-Ministerial Conference, and the East Asia Summit. Consequently, the Forum should be renamed the "Asia-Pacific Security Cooperation" to reflect a more inclusive organization.

Conclusion

The ARF was created at a time when countries in the Asia-Pacific saw the need for a multilateral institution to address and manage security issues within a post-Cold War milieu. Primarily concerned with state security, cooperation has mainly focused on CBMs and, over the years, modest achievements have been made.

However, the Forum runs askew to the present security situation and is structurally ill-equipped to efficiently manage regional threats and conflicts in the twenty-first century. It could supplement but not substitute bilateralism. By clinging to its principles of sovereignty and non-intervention and by the absence of countervailing power that military alliances such as the North Atlantic Treaty Organization (NATO) possess, the ARF's ability to prevent and resolve interstate conflicts is severely limited. Certainly, it does not aspire to copy NATO. Its non-involvement in the North Korean nuclear crisis is a clear indication of its limitations. As Michael Green put it: "The ARF has some useful roles but it cannot resolve

⁴⁶ Ron Huisken, "Civilizing the Anarchical Society: Multilateral Security Processes in the Asia-Pacific," *Contemporary Southeast Asia*, Vol. 24, No. 2 (2002), p. 198.

conflicts or build confidence building measures that truly affect security policy.”⁴⁷

In this respect, the ARF needs to take stock and reconfigure itself by recognizing its own inadequacies and considering human security as a core competence area for security cooperation. Instituting human development as the central theme would produce a people-focused organization and be complementary to other cooperative models in the region. Though it is still too early to ascertain the creation of the Northeast Asia Peace and Security Mechanism, since this would partly depend on the outcome of the U.S. presidential elections and North Korea’s denuclearization progress, ASEAN should not see this development as a challenge to the Forum. The ARF has an important role to play in managing security in the Asia-Pacific, especially in thwarting and controlling non-traditional threats. Nevertheless, it will not be even able to take on such a role unless it can substantially increase its level of institutional sophistication.

⁴⁷ Quoted in “US push for new security mechanism irks Southeast Asia,” *AFP*, April 13, 2008, available at: http://rawstory.com/news/afp/US_push_for_new_security_mechanism__04132008.html.

Khans, Tsars and Emperors: The Changing Nature of Central Asia's Security Spectrum*

Dan Burghart*

Introduction

Central Asia has always been at the crossroads of East and West, both geographically and some would argue philosophically. In terms of the former, Central Asia occupies the territory one needs to traverse in order to travel by land from Asia to Europe and back, leading to the evolution of the Silk Road, the network of routes that carried trade between the two continents. In terms of the latter, Central Asia's lack of natural barriers led to massive migrations and the mixing of peoples, giving the region a blend of cultures that in many ways reflected both the best and the worst that each group had to offer. Nor was the area solely affected by east-west migrations. As seen in the "Great Game" of the nineteenth century, influences from the north and south also played a part in shaping the region.¹ The end result is a unique blend of peoples and cultures not seen anywhere else in the world.

The breakup of the Soviet Union added another chapter to the region's development, as the doors were opened to a new wave of influences. Thus, the evolution of the Central Asian states that became independent at the end of 1991 has been shaped, and will continue to be shaped, by both the people of the region themselves and by their interactions with their neighbors and the rest of the world. Since security is one of the foundations on which any society is built, the search for security has been one of the key endeavors that all of these states have engaged in. As

* Dan Burghart is Professor of National Security and Eurasian Studies, National Defense Intelligence College, Washington, D.C. The views in this paper are those of the author, and do not reflect the official policies of the U.S. Department of Defense or the United States Government.

¹ The best history of the period is the classic book by Peter Hopkirk, *The Great Game: The Struggle for Empire in Central Asia* (New York: Kodansha International, 1992).

in any time, security is not only a domestic affair, but involves relations with one's neighbors. However, in an increasingly globalized world there are a growing number of nations who, rightly or wrongly, believe that they have interests in the region.

This paper seeks to examine Central Asian security issues, not only from the perspective of the countries of the region, but in terms of the major outside actors which are in a position to affect that security.² One of the characteristics of globalization is that events and actions in one part of the world may now impact all of the other parts of the planet, something that was brought home all too clearly by the events of September 11. While the search for security is primarily a regional affair, failure to achieve that security can increasingly have consequences that reach far beyond the region itself. Therefore regional security is an issue that outside actors must as a minimum be aware of, in terms of the potential for impacting their lives; and if the situation so warrants, these actors may engage and attempt to influence events, in order to achieve outcomes that they view as in their best interests.

The Khans—The View from the Region

Few outside observers expected Central Asia to keep the borders that were in place in 1991, when the area became independent. These borders had been artificially created; there was little in terms of national identity that would argue for their continued existence within the boundaries that had been drawn for the five republics in the Soviet times.³ That almost 20 years after independence, all continue to exist in the form that they initially took, and with the only major conflict in the region being the civil war in Tajikistan (1992–97), speaks not only of their efforts to form coherent national identities, but the realization that there was far more to be lost

² For the purposes of this paper, security is defined in the broader term of anything that affects the well being of a nation and its people, rather than purely military terms.

³ Because of the lack of natural boundaries and the intermixing of populations, tying territory to a specific group has always been difficult in the best of circumstances. Ethnographic maps, especially in the Fergana Valley, tend to look like jigsaw puzzles.

than to be gained through confrontation and conflict. And while each of the Central Asian states has faced problems defined by their own distinct circumstances, all of them have had challenges that are similar in nature throughout the region.

The first major concern of each of the five Central Asian states has been maintaining domestic stability. This should be of no surprise, since social stability is necessary for these states to develop and attract foreign investment. However, this goal has been used to justify regimes and practices that, to varying degrees and dependent upon the rulers involved, have stifled any opposition in the name of achieving that stability. While not an unusual phenomenon (witness any number of authoritarian regimes, especially in Africa, Asia, Latin America and the Middle East), what makes the region unique is that all of the states have settled on this as the accepted norm, in spite of differing backgrounds and situations. After independence, Kazakhstan and Kyrgyzstan experimented with some attempts at democracy, and put in place the economic reforms that would be expected to go along with establishing a market economy; but both have become more autocratic over time. Uzbekistan and Turkmenistan did not even bother with the pretence of attempting either democracy or market reforms, and have in the intervening years merely improved on their despotic rule. Tajikistan, after undergoing both a devastating civil war and an externally negotiated peace agreement that allowed the opposition to take part in a unity government, has seen the dominant partner in the coalition slowly increase its control, while marginalizing the opposition's role. In all five states, short-term stability has been achieved through the suppression of dissent. However, the long-term consequences of this suppression may, in fact, lead to greater instability, as those in opposition to the current regimes are forced to more radical measures to try and bring themselves into power.

The second major concern with regard to stability in the region is related to the first, in that the absence of the institutions of civil society has allowed crime and corruption to reach epidemic proportions. Corruption was always part of the Soviet system, but the current regimes have

brought it to new heights.⁴ Along with corruption has come the development of criminal elements that were always present in Soviet times, but were kept under control by the more efficient Soviet security apparatus. Crime, specifically the trafficking of drugs from Afghanistan, smuggling – including human trafficking spawned by worsening economic conditions, extortion, racketeering and economic irregularities – have all expanded in an environment where almost any activity is allowed, as long as you pay the right amount to the proper officials. The situation has gotten so bad in Kyrgyzstan that criminal organizations actually form a shadow government, while in Turkmenistan it was long suspected that former President Niyazov, if not directly controlling drug trafficking in his country, was taking a percentage of the profits.⁵ The presence of these criminal activities threatens to undermine the viability of these states, and with it the very fabric of society.

Finally, the excesses and faults of the current authoritarian regimes might be excused if they at least were able to meet the needs of their people, but this has not been the case. Without either a set of checks and balances against waste and inefficiency, or the ability to change the governments thorough peaceful means because of their failures, the potential for social upheaval is high. All of the regimes have, to a greater or lesser degree, shown their inability to meet the even basic needs of their public. This can be seen in the worsening economic conditions in most of the countries⁶, failing healthcare systems, problems with resource allocation (especially water), problems with food distribution that have been exacerbated by global food shortages, and chronic ecological problems.⁷ While

⁴ Various indices of corruption in the world all rank the Central Asian states near the bottom (from least corrupt to most), with Uzbekistan, Turkmenistan and Kyrgyzstan usually in the lowest 10%.

⁵ Rustem Safronov, "Turkmenistan's Niazov Implicated in Drug Smuggling," *Eurasia Insight*, March 29, 2002, <http://www.eurasianet.org/departs/insights/articles/eva032902.shtml>.

⁶ All of the Central Asian states suffered severe economic decline in the 1990s, with only Kazakhstan showing any marked sign of recovery, due to oil revenues.

⁷ For papers focusing on specific examples of many of these problems, see *EU-RASIANET.org*.

some of these issues have their origins in Soviet times, none have improved, and almost all have gotten worse since independence. How long the current trends can continue before social breakdown occurs is, perhaps, the greatest question that can be asked with regard to domestic security in the region.

The Tsars—Russia and the View from the North

Though it is too soon to talk about Dmitry Medvedev's policy toward the Near Abroad, most observers believe that at least initially it will mirror that of Vladimir Putin.⁸ Having just finished eight years as president, Putin can look back on a period that saw the re-emergence of Russia's influence throughout the world, but especially in Central Asia. Russia had effectively abandoned Central Asia in 1991, leaving among other things a diaspora of 5–8 million ethnic Russians.⁹ In Russia, few viewed this as a loss since the common perception among many Russians was that the other republics had been a drain on their resources, and that Russia had carried the republics during the Soviet period. The prevailing attitude seemed to be one of "good-bye and good riddance."¹⁰

Still, Russia has found that divorcing itself from Central Asia was not as easy as it thought it might be. From Soviet times there were many links, both economic and security, which caused Russia to be concerned with what was occurring in the region. Russia had installations in Central Asia, such as the space launch facility at Baykanur, which it still needed.¹¹ Energy, both in terms of the resources themselves and related infrastructure, has taken on increasing importance with growing demand and rising prices. Though possessing the world's largest natural gas reserves, Russia cannot meet its contractual obligations in Europe without Central Asian

⁸ It should be noted that the first country Medvedev visited after becoming president was Kazakhstan.

⁹ For demographic and other statistical information on the region, see M. Wesley Shoemaker, *Russia and the Commonwealth of Independent States 2007* (Harpers Ferry, WV: Stryker-Post Publication, 2007).

¹⁰ A sentiment related in numerous conversations with the author.

¹¹ Baykanur, while on Kazakh territory, is rented by the Russians and functions as if it was Russian territory.

gas.¹² Not only hydrocarbons, but also hydroelectric power and nuclear fuel that come from the region, are of interest to the Russians. Also, after the financial crisis of 1998 which limited the ability of all the former Soviet Republics to buy foreign goods, there was a return to Soviet style products that reinvigorated Soviet era industrial production and markets.

Security was another reason for the Russians to be involved with Central Asia. Even in Soviet times, one of the biggest concerns for the Kremlin was the potential for radical Islam moving north from Afghanistan, through Central Asia, and infecting the Muslim populations in Russia proper. In this respect, Central Asia was seen as a buffer zone, with the Russians keeping a military presence in Tajikistan to help stop this flow. Russia had no problems supporting the authoritarian regimes prevalent throughout the region, as long as those regimes were fighting the battle against this radical Islamic threat. Security concerns were also present with regard to the illicit drug trade which was seen as funding radical elements, in addition to representing a direct concern, since many of the drugs traversing Central Asia ended up in Moscow. Though of lesser importance, there were also calls to protect ethnic Russians who now found themselves on the wrong side of the border.¹³ While this issue seems to become more important when Russia is seeking concessions in other areas, instability in the region would certainly put the Russians there at risk.

Finally, there was a certain amount of ego involved in Russian concerns about Central Asia. When Putin came to power in 2000, his Millennium Manifesto called for reestablishing Russia as one of the great countries in the world.¹⁴ Part of this involved re-introducing Russian influence into the region. Part of this, as well, was seen in terms of limiting Western influence, and especially that of the United States. The leaders in Central Asia, while not keen about allowing Russia to regain its dominant position

¹² "Central Asia: Russia and United States Intensify Energy Competition," *EU-RASIANET.org*, September 5, 2008, http://www.eurasianet.org/insight/articles/eva090508a_pr.shtml

¹³ Concern for the fate of ethnic Russians in all of the former republics, estimated at between 18 and 20 million, is a common theme raised by nationalist movements in Russia.

¹⁴ Putin's "Millennium Manifesto," in V. V. Putin, *Vital Speeches of the Day*, Vol. LXVI, No. 8 (February 1, 2000).

in the region, knew that Russia would not give them a hard time about areas such as human rights and freedom of the press. This led, among other things, to the founding of the Shanghai Cooperation Organization that will be discussed in the next section, but which has allowed Russia a formal avenue for advancing its interests in the region.

The Emperor—China and the View from the East

Central Asia's relationship with China has always been problematic at best. From the battle of Talas in 751, China's role in Central Asia was limited, both because of geography and politics.¹⁵ Though united under the rule of Genghis Khan and almost united again under Tamerlane, the two have parallel but separate histories. It was only after the breakup of the Soviet Union and the beginning of China's economic rise that China's rulers began to look to their western border with more than passing interest. For the Central Asians looking east, China represented a love-hate relationship; they loved the thought of what China might be able to do for them economically, but resented Chinese heavy-handedness and feared that they might be overwhelmed by the sheer size and economic power of their massive neighbor.¹⁶

Chinese initiatives in the region began in the 1990s, when large and elaborate Chinese delegations began to appear in the Central Asian capitals.¹⁷ For China, Central Asia represented both a source of energy and raw materials that were needed to support China's growing industry, and to a lesser degree, potential markets for the products of that industry. Energy was their primary objective, with China becoming a rival to Russia for access to the area's hydrocarbon reserves. China's acquisition of one of Kazakhstan's principle energy companies, and the building of a pipeline

¹⁵ The battle on the Talas River saw an Arab army defeat the Chinese moving into Central Asia, and marked the last major incursion by China into the region for over a thousand years.

¹⁶ For a good recent summary of Chinese Economic initiatives in the region, see Bruce Pannier, "Central Asia: Beijing Flexes Economic Muscle Across Region," *EURASIANET.org*, May 29, 2008, http://www.eurasianet.org/departments/insight/articles/pp052908_pr.shtml

¹⁷ The author witnessed one of these in Almaty in 1999, when a visiting Chinese delegation took up the top four floors of the Hotel Ankara.

across Kazakhstan and China to transport newly acquired oil reserves, were the best known of these initiatives.¹⁸ However, agreements have been inked with each of the Central Asian states, to include securing gas from Turkmenistan, energy development agreements with Uzbekistan, and assistance for the development of hydropower in Kyrgyzstan and Tajikistan.

Security was another concern that caused China to engage the Central Asian states, though at first appearance this seems odd, given the disparity in size and resources of the parties involved. Central Asia, primarily Kazakhstan and Kyrgyzstan, is home to Uighur minority populations who were related and gave support to the Uighur population in western China's Xinjiang province. China, in its effort to suppress what it viewed as a separatist movement by the Uighurs, put pressure on the governments of Kazakhstan and Kyrgyzstan to limit the activities of the Uighurs on their territory.¹⁹ China was also concerned with illegal activities emanating from Central Asia, primarily the drug trade and the smuggling of other illicit goods. Finally, the fear that political instability, as represented by the Tajik civil war, might overflow their shared borders, led China to take an active interest in Central Asian affairs.

All of this gave reason for the establishment of the Shanghai Cooperation Organization (SCO), a regional security organization encompassing four of the five Central Asian states as well as China and Russia.²⁰ Originally founded to resolve border disputes between the member states, the SCO has grown to include an active security and economic dimension. Among its initiatives, it has established a Regional Anti-Terrorist Center in Tashkent, and has sponsored multinational security exercises that in-

¹⁸ Rukmani Gupta, "The SCO: Challenging US pre-eminence?," *Institute of Peace & Conflict Studies*, No. 2042 (June 20, 2006), <http://www.ipcs.org/printArticle.jsp?kValue=2042>

¹⁹ Several Uighur independence movements have their headquarters located in Central Asia, and while the governments there do act to limit their activities, there is also some resistance to putting too much pressure on what are seen as fellow Muslim/Turkic kinsmen.

²⁰ The SCO was originally formed as the Shanghai Five, with Russia, China, Kazakhstan, Kyrgyzstan and Tajikistan as members. It became the SCO with the later addition of Uzbekistan.

cluded the first deployment of Chinese military forces outside of China's borders. While arguments can be made as to the SCO's effectiveness, the fact that it holds regular consultative meetings at various levels, and has grown in size and stature, has led to it being recognized as the leading security cooperation organization in the region.²¹

The View from the West

One of the most difficult influences to define in Central Asia has been the role of the West, and within the West the roles of the United States and Europe. It is true that Great Britain exerted an influence in the region during the nineteenth century, both directly through the presence of its forces in Afghanistan, and indirectly through its agents, such as the famous "pundits" who were responsible for much of the mapping of the region.²² However, this influence can also be seen as regional in nature because of the British occupation of India and concerns about the Empire, which abutted Central Asia. What makes Western interests in Central Asia unique and even possible today, is the advent of modern travel and communications, which allows the West to be involved without having geographic proximity. This influence is further advanced and/or complicated by the desire/need/ability of the countries in the West to rapidly establish a physical presence, as in the military bases that were created in the wake of the events of September 11, 2001 in the United States.²³ While agreed to by the Central Asian states themselves, and tolerated by other regional players – specifically Russia and China – each of these also have their concerns. In the case of the former, the memory of colonization and the fear of being brought into another client state relationship, has tempered, at least to a certain degree, the willingness to welcome Westerners with open arms. In

²¹ While much has been written on the SCO, a short summary of its creation can be found in Matt Oresman's "Beyond the Battle of Talas: China's Reemergence in Central Asia," in Dan Burghart, ed., *In the Tracks of Tamerlane: Central Asia's Path to the 21st Century* (Washington, D.C.: National Defense University and Center For Technology and National Security, 2004).

²² Hopkirk, *The Great Game*, pp. 328–32.

²³ Roger Kangas, "Challenges to U.S. Security Cooperation in Central Asia," *Joint Forces Quarterly*, Issue 50 (3rd Quarter 2008), pp. 99–100.

the case of the latter, both Russia and China have been wary of allowing other potential rivals to establish a foothold in what they geographically and historically consider to be within their sphere of influence.

The United States was arguably the first western country to take an active interest in the region as a whole.²⁴ With the breakup of the Soviet Union, the United States as a matter of policy made the decision to establish embassies in each of the former Soviet Republics, including the five Central Asian states. Though not unique in this regard, or the sign of any overt designs on the region, it did give the U.S. a presence that quickly went beyond diplomatic representation. Throughout the 1990s, the U.S. put forward a number of initiatives for aid and assistance in the political, economic, and security spheres, all roughly couched under the general policy of “engagement.”²⁵ Given the isolation of the region during Soviet times, these programs were seen as an essential way of getting these countries to reform their Soviet institutions and practices, thus helping them to integrate with the rest of the world. This would allow them to benefit from the wave of globalization that was supposed to not only bring about much needed development, but through this development help eliminate one of the root causes of conflict – economic disparity.

Western assistance to the region took two forms, official government programs normally coordinated through the embassies, and private initiatives most commonly administered by Non-Governmental Organizations (NGOs). The former included a wide range of initiatives, from direct aid and assistance, to education programs designed to teach the local governments and officials western/international practices, to exchanges of students and delegations from various institutions and services. Some of these programs focused on political reform, including the establishment of a free press and other institutions that were considered key to the creation of a “civil society.” These were seen as encouraging the participation of

²⁴ This is not to underplay the actions of the European countries; however the United States was the first western nation to establish diplomatic relations with all of the new Central Asian States.

²⁵ Throughout the 1990s, “Engagement” was the stated policy of the Clinton Administration, focusing on the active interaction of U.S. officials and organization with foreign counterparts.

the population in the political process, and act as a check on governmental practices that were often a holdover from Soviet times. Other programs focused on economic development and the creation of conditions that would encourage foreign investment. One example of this assistance that spanned both the political and economic spheres was in the area of legal reform, where the United States and other western countries offered assistance in rewriting the countries' laws and educating the judiciary, in an attempt to institutionalize good governmental practices. Legal reform also affected the economy, providing the guarantees of personal property rights that encouraged personal initiative and increased the willingness of foreign firms to partner with local concerns, providing expertise, technology, and much needed cash.²⁶

While the non-governmental agencies also provided assistance in some of these areas, the diversity of the NGOs allowed them to cover a broader spectrum of topics, and tailor their assistance to fit specific local needs and concerns. The United States and the West realized that the size of the problems and the number of issues to be addressed prohibited a comprehensive approach at the governmental level. NGOs provided assistance, especially in areas such as healthcare and the environment, where governments either lacked the expertise and/or the resources to provide meaningful assistance. Larger NGOs brought with them not only their own cadre of qualified personnel, but often their own sources of funding. There were also cases where Western governments would contract out programs to NGOs and other groups, providing funds and oversight, while letting private organizations do the actual work.²⁷ While making sense in theory, the effectiveness of the actual practice varied, and led among other things to an entire industry of people and groups writing proposals in order to secure governmental funding. Though at times the results of these efforts were checkered, and a fair amount of funds and ef-

²⁶ For a good summary of U.S. initiatives in the region, see "U.S. Policy in Central Asia: Balancing Priorities," a Statement to the House International Relations Committee by Richard Boucher, Assistant Secretary of State for South and Central Asian Affairs, April 26, 2006.

²⁷ This gave rise to the somewhat ironic term "GONGOs" for Government Organized Non-Governmental Organizations.

fort were wasted in the process, sufficient successes can be pointed to that justified these efforts, and they have had an impact on the region.

It should also be noted that U.S. and European motives in these initiatives were not entirely altruistic. In general the West, and particularly the United States, believed that these countries would benefit from adopting western style democracies, which were seen as key to developing political stability and market economies, which in turn would lead to development and integration. At the same time, there were things that Central Asia had to offer the West, specifically energy and trade.²⁸ The period immediately after the breakup of the Soviet Union saw the opening of the area to foreign travelers, especially executives from energy companies and related firms, such as law and accounting. This, in turn, drew other foreign interests that catered to this new wave of business travelers, such as foreign hotel chains, airlines, and the like. The cascade effects of the growth of these new “industries” helped to achieve the goals of integration, as locals sought employment with these firms, with young people focusing on both language training and other skills that would make them more competitive for jobs in these areas.

While most of these programs can be couched in terms of originating in the West, it should be noted that there were some subtle differences between the attitude/approach of the United States and that of the Europeans. Simply because it had more resources to offer, the United States tended to have more of a presence in Central Asia, with a greater involvement in a larger number of areas. The Europeans, while equally interested, tended to be more limited and selective, though in those areas where they were involved they could be just as effective. Part of this was due to diplomatic representation itself; initially many of the European states covered Central Asia from their embassies in Moscow, or if they did have a local embassy, one might cover several of the Central Asian states. European programs also tended to fall under the auspices of multinational organizations, such as the OSCE and NATO. There were excep-

²⁸ One of the less than pleasant examples of western initiatives to increase trade and take advantage of new markets in Central Asia was the extremely active efforts by tobacco companies to expand the sale of western cigarettes in the region.

tions to this for specific countries and specific areas, Germany being a notable example. Possibly because of the large number of “ethnic Germans” in Central Asia, Germany had an active interest in the area.²⁹ In general, the Europeans tended to work together, pooling their individual efforts for greater effect, and at the same time de-conflicting bilateral efforts so as to make the most of the limited funding and resources that they had at their disposal.

Security is the one area where the efforts of both the United States and the Europeans were probably better coordinated, since they fell under the common umbrella of NATO. Throughout the 1990s, various initiatives under NATO’s Partnership for Peace Program were put forward, designed not to encourage NATO membership, but to achieve some measure of coordination and standardization of military reform and modernization. Education programs that brought military and civilian security leaders to western schools for courses, such as the Marshall Center in Germany, were among the most productive of these initiatives. Military exchanges and joint training exercises also were a key portion of these efforts.³⁰ With the events of September 11, 2001, and the subsequent launch of the “War on Terrorism,” Western involvement in Central Asia took a new turn, with the establishment of bases in Central Asia to help prosecute military operations in Afghanistan. Though debate continues as to whether this represents a permanent or temporary presence, it did signal an increased western involvement in the region, the long-term consequences of which are still to be determined.³¹

²⁹ The ethnic German populations in Central Asia were the result of Stalin’s resettlement of Volga Germans from the western part of the Soviet Union during the Second World War. Many of these have emigrated to Germany since 1991. See Shoemaker for figures.

³⁰ The author participated in a number of these while he was U.S. Defense Attaché to Kazakhstan in the 1990s.

³¹ For a summary of U.S. initiatives in this area see Dan Burghart, “The New Nomads? The American Military Presence in Central Asia,” *The China and Eurasia Forum Quarterly*, Vol. 5, No. 2 (May 2007).

Other Actors—Beys, Shahs, and Moguls

Though the primary external players in Central Asian affairs have already been discussed, this should not imply that other countries do not have interests in the region, or that they have not been pursued. The Turks, Iranians, and Indians all have been active in the area, though again their activities have often been limited by funding and the resources that they have been able to expend in pursuing their interests. Early after the breakup of the Soviet Union, Turkey established an active presence in the region, playing on the cultural and linguistic ties they had with four of the five Central Asian States.³² The Turks were quick to expand their business interests in the area, were active in education, and even helped in reestablishing Islamic traditions and institutions that had suffered under Soviet rule.³³ In a similar manner, Iran has become interested in the region, and especially in Tajikistan, which shares a common linguistic and cultural heritage from the ancient Persian Empire. Iran has been especially active in the area of energy in Tajikistan, and with the Russians have given support to projects designed to harness some of the hydroelectric potential that the Pamir Mountains hold. India, though separated geographically from Central Asia by Afghanistan and Pakistan, has also pursued a role in the region, focusing on economic and energy concerns, but also being involved with security issues. With India rising as a regional power in Asia, this only makes sense, and though left unsaid, may also be an attempt to balance China's growing presence in the region.

Conclusion

This paper began with the perspective from the region, so it seems appropriate to return there for some concluding thoughts. For too long, Central Asia has been defined in terms of what others sought to gain there, and to a certain degree this is still the case. What is different is that since 1991, the region has begun to define itself, both in terms of national identities that it never had before, and a regional identity that it is trying to create. While

³² Kazaks, Kyrgyz, Uzbeks and Turkmen are all Turkic people. Tajiks are ethnically Persian.

³³ A prime example of this can be seen in one of the largest Mosques in Almaty.

many external players continue to exert an influence over the region, the countries of Central Asia have become very adept at balancing these various influences against each other, something akin to a judo practitioner who uses the opponent's weight and effort to their own advantage. In truth, this is nothing new, and it can be argued that the people of the region have been doing this for hundreds of years. What makes this situation new are the circumstances that these countries find themselves in, as defined states in a globalized world.

One interesting variation that has arisen from time to time is the concept that, in order to have a greater ability to manage and balance these external influences, the Central Asian States should combine their efforts and unite in some form that would give them larger scale and more weight in dealing with the rest of the world. The most notable of these has been the call by Kazakhstan's President Nazerbaev for a Central Asian Union.³⁴ Not only would this allow these states to present a united front when dealing with their more powerful neighbors, but it might facilitate the resolution of issues such as water distribution, not to mention facilitating trade by lowering or removing internal tariffs and other barriers. Unfortunately, for such a plan to become a reality, regional differences and animosities would have to be overcome, and at present these seem far too strong to allow any meaningful integration among the countries. Still, as the region evolves, the logic of such a union might overcome such opposition, and the borders which were artificially drawn in Soviet times, might be erased, or at least be made more porous.

After the breakup of the Soviet Union, the comment was often heard that instead of signing up for another patron, the people of the region were ready to manage their own affairs, rather than have them managed by outsiders as had so often happened in the past. Outside assistance would be accepted; however, it was preferred that such assistance come with few strings attached. When one looks at the attempts by outsiders to influence the region, it may be best to remember that the most successful will be those who, as opposed to placing their interests first, work to help

³⁴ Bruce Pannier, "Central Asia: Kazakh, Tajik Presidents Show Oil and Water Do Mix," *EURASIANET.org*, May 14, 2008, http://www.eurasianet.org/departments/insight/articles/pp051408_pr.shtml

the Central Asians achieve their goals. This attitude was reflected in the words of U.S. Deputy Secretary of State Strobe Talbott, who after the breakup of the Soviet Union, commented on the need to integrate the former republics into the international community.³⁵ This integration was seen as key for ensuring stability in the region, and is the foundation on which lasting regional security can be built.

³⁵ Strobe Talbott, *A Farewell to Flashman: American Policy in the Caucasus and Central Asia*. Address at the Johns Hopkins School of Advanced International Studies, Baltimore, Maryland, July 21, 1997, <http://www.state.gov/www/regions/nis/970721talbott.html>.

A Regional Foundation for Handling New Threats?

Niklas Swanström*

The perception today is that the world is increasingly challenged by new security threats (which to a large extent are also called soft security threats). This said, it should be acknowledged that the “old” threats (almost always synonymous with hard security threats) still remain even if inter-state conflict has, in relative terms, diminished in importance in recent decades. Both academic as well as policy institutions have increasingly begun to focus on the “new” challenges that the international community and national actors face.¹ It should be mentioned, however, that the so-called new security threats are in fact not that new. Threats such as organized crime, environmental problems, among others have existed for a long time, even if modes of operation, manifestation, and scale have changed. These threats had simply been obscured somewhat by the exigencies of the Cold War and the so-called old/hard security threats, i.e. military threats. Indeed, many of the new security threats plagued states and regions during the period of the Cold War, which saw the emergence of strong criminal networks, economic crises, environmental disasters such as in the Aral Sea region, and the spread of HIV. However, these “problems” were not at the time considered to constitute fundamental threats to states, regions, or the international community at large. The “new” challenges have nevertheless risen to a new level of prominence over the last decade and they have become fundamentally important to

* Niklas Swanström is Director, Institute of Security and Development Policy.

¹ Svante E. Cornell and Niklas L. P. Swanström, “The Eurasian Drug Trade: A Challenge to Regional Security,” *Problems of Post-Communism*, Vol. 53, No. 4 (July-August 2006), pp. 10–28, Niklas Swanström, “Narcotics: The New Security Threat for China,” in Ashok Swan, et al., eds., *Globalization and Challenges to Building Peace* (London: Anthem Press, 2008), pp. 221–36, Elke Krahnemann, ed., *New Threats and New Actors in International Security* (New York: Palgrave Macmillan, 2005), Michael Tanji, ed., *Threats in the Age of Obama* (Ann Arbor, MI: Nimble Books, 2009).

decision-makers and international organizations. Accordingly, there is a greater need for understanding what these so-called new security threats consist of and how they should be effectively handled.

Many of these “new” threats are, in contrast to the “old” threats, transnational in nature and very often global in extension. For example, organized crime, namely narcotics trafficking, is expanding into every corner of the world through global criminal organizations that control both the trade as well as a *not* insignificant proportion of judges and customs officials, with even parts of states being co-opted in this endeavor – a phenomenon that is particularly problematic in production and certain transit states as well in so-called weak states.² In fact, the transit and production of narcotics tend to overlap with state weakness. Another example is environmental threats which are often per definition global in scope, and include global warming but also deforestation and the salinization of large lakes and rivers, among other issues. Piracy is yet another “old” threat that has risen to prominence after the end of the Cold War and threatens the very foundation of international economic cooperation. These threats are in many ways centuries old and, due in part to the long neglect of these problems, they have turned into real security threats at a regional and even global level.

The question then emerges how and at which level to deal with these new threats? Naturally, many of these threats are very diverse but some common traits can be found such as that they are most often transnational issues and manifest themselves particularly, albeit not exclusively, in weak states. It appears self-evident that transnational threats are best dealt with at a global or at least at a regional level. It would be a waste of time and resources to try to handle these threats unilaterally; time and resources that we in any case do not have the luxury to squander. The heart of the problem is that failure to cooperate makes many of the problems much worse and, in the case of organized crime for example, strengthens criminal networks to a degree that has been hitherto unknown. Criminal organizations use borders to improve their profits and decrease the effectiveness of drug enforcement measures. Competing legal frameworks, so-

² Niklas Swanström, “The Narcotics Trade: A Threat to Security?,” *Global Crime*, Vol. 8, No. 1 (February 2007), pp. 1–25.

vereignty, and lack of trust and cooperation both between states as well as national law enforcement agencies provide ample maneuvering space for criminal organizations to bypass effective control. While the remedy of enhancing cooperation between states would seem the logical answer, there are many problems to finding truly global and multilateral solutions that can effectively combat these threats. The problem is accentuated by the involvement of weak states and other sub-national areas, where law enforcement and effective measures are hard to implement.³ To make the situation worse, there are spoilers, both inside and outside of governments, that benefit from ongoing insecurity. It is often problematic to handle all security threats at a global level, as in many instances the interest and knowledge to do so is rather at a regional level. The United Nations (UN) has long since realized this problem and has increasingly begun to focus on regional structures to handle certain conflicts and security issues. In many cases this has been successful, in others not, but the question remains how regional structures have managed the so-called “new” security threats and where the weaknesses and strengths therein lie.

International Failure and Regional Reliance

The United Nations has to a great extent had severe problems in resolving traditional military conflicts, with a few notable exceptions, even if it has played an important role in peace-keeping, the normative formation of international principles, and as a forum for discussion. This is no surprise as many of the efforts by the UN have been blocked by its own member states, both during and after the Cold War. Unilateral and other multilateral international efforts such as “alliances of the willing” to establish peace through military means have been much more prevalent, at least in the media; even if such actions have not always been effective in achieving their objectives and/or resolving conflicts. On the contrary, military actions outside of the UN mandate have tended to create instability and have been fraught with problems of legitimacy. Other international actors have had their share of failures in handling traditional conflicts, and it has

³ Swanström, “Narcotics: The New Security Threat for China,” Swanström, “The Narcotics Trade: A Threat to Security?”

been very difficult to find any international body that could convincingly fulfill the role that the UN was initially intended to play. Trans-regional organizations such as NATO, OSCE, etc. are perceived as harboring their own limited agendas and carry limited legitimacy in many states, especially among Asian states that often perceive the organizations as interventionist and pursuing a U.S. /EU agenda. In contrast to these organizations, the UN still has a relatively high level of legitimacy, but has problems projecting itself at the local level and is often hampered or even prevented by its own members from acting effectively.

The consequence of these drawbacks has been for the UN to advocate greater cooperation between the UN and regional organizations – and to assist the latter with good offices and long-term support. Increasingly, it would seem that cooperation between regional structures and the UN bodes well. One regional body that has assertively taken up this mantle is the African Union that has been particularly active in handling traditional security conflicts between its member states. This is not to say that international or trans-regional structures have failed in resolving all traditional conflicts, as it is evident that the number of intra-state conflicts has reduced dramatically, but the explanation has, in part, to be found elsewhere such as in the work of regional organizations.

When considering the handling of new security threats by the UN and other international structures, such as the World Trade Organization (WTO), World Bank (WB), etc., the picture is somewhat more complicated. International organized crime, consisting of narcotics, human trafficking, arms smuggling, etc., has largely been allowed to flourish and very few effective measures have been taken. This to a very great extent is due to the failure of international cooperation in facing such threats, which is a result of conflicting legal systems, different views on the need for securitization of the problem, corruption, and even the cooption of states and key individuals. On the other hand, the international community has been much more successful in meeting the challenge of financial security through the WTO, WB, and other financial institutions especially at the normative level. However, there are limitations to these structures, and in the face of the Asian financial crisis in 1997–1998, it was realized that these

structures needed to be backed up by regional financial structures that could deal with local conditions more effectively.

The problem lies very much therein that the solutions at the international level are often not designed to meet local and regional challenges, even if the principles and thoughts behind it are sound and an international agenda and measures of cooperation are required. The reason is obviously that local conditions can vary a great deal. To illustrate an example: the implementation of solutions and counter-measures regarding environmental challenges in China will inevitably look very different from the demands and requirements of the situation in Monaco. The challenge for the international community is to coordinate the local efforts with the international agenda; this especially as different regions find themselves in different phases and utilize divergent strategies to combat their specific set of new security threats.

Asia is one of the regions where new/soft security threats have risen dramatically in prominence through the activities of organized crime, piracy, environmental problems, and economic and energy security. While it has been established that very few of the challenges are new in any sense of the word, they nonetheless have reemerged in the minds of people in the region and the intensity of the problems has increased. Asia is also a region where principles of sovereignty and non-intervention are strong with the result that regional, but especially international, organizations are often seen as particularly weak in handling both new and old security threats.⁴ Despite this perception of a lack of cooperation, most Asian regions have witnessed remarkable economic growth, experience relative stability (and in many states a great deal of stability), and an apparent absence of inter-state conflicts. This would speak for the fact that some form of regional mechanism or normative structure is at play in the region. The

⁴ Amitav Acharya, *Constructing a Security Community in Southeast Asia: ASEAN and the Problem of Regional Order* (London: Routledge, 2001), Samuel M. Markinda, "Security and Sovereignty in the Asia-Pacific," *Contemporary Southeast Asia*, Vol. 23 (2001), Amitav Acharya and Alastair Iain Johnston, eds., *Crafting Cooperation: Regional International Institutions in Comparative Perspective* (Cambridge: Cambridge University Press, 2007).

question is how this operates and how effective this is in handling new as well as old security threats.

The Asian Experience

Regional structures have different foci in different regions and sub-regions and display different strengths and weaknesses, and, accordingly, it is difficult to generalize about the impact that regional structures in Asia have. Moreover, it is the case that the levels of economic development, social and political stability, military strength, etc. vary widely among the different states. States in the region are also careful to point out that the needs of each and every state differs and that intervention in internal affairs is not acceptable, at least not in their own affairs. The ruling principles are non-intervention and the inviolable right to national sovereignty. These principles have made regional cooperation difficult and its impact on traditional and non-traditional security issues in many cases debatable.

In looking at the Asian region, some distinct problems with regional structures are discerned, which are mainly attributable to the lack thereof, their being stalemated, or simply not being appropriate for managing certain security threats that would entail interfering in domestic and sensitive issues. Much of this is due to the steadfast adherence to principles of non-intervention and sovereignty. It is not a new insight that all Asian structures are reluctant to let regional structures interfere in “domestic” issues and that regional structures should largely be left to manage multilateral issues of lesser importance and preferably with strong consensus.⁵ Notably, there have been few cases of military intervention or even attempts to influence developments in other states in Asia, with a few notable exceptions such as the Indian intervention in Sri Lanka and relating to Indo-Pakistan relations. Neither of these attempts to handle traditional security threats has proven successful; on the contrary both of them have been severely criticized by governments in the region as being interventionist or

⁵ David Dickens and Guy Wilson-Roberts, eds., *Non-Intervention and State Sovereignty in the Asia-Pacific* (Wellington: Centre for Strategic Studies, 2000), Niklas Swanström, *Regional Cooperation and Conflict Management: Lessons from the Pacific Rim* (Uppsala: Uppsala University Department of Peace and Conflict Research, 2002).

being deliberately driven by spoilers in each state to a position where compromise is impossible. The restrictions and the failure of regional – or multilateral – cooperation is traceable to the fact that bilateral or unilateral approaches have been sought for what are essentially regional problems and, despite some degree of success, manifold problems and tensions still remain.

The problem today is that the new security threats transcend both national and regional borders and are often best understood with a global focus. In order to manage many of these threats, there is a need to accept increased multilateral cooperation, even if this would, according to skeptics, result in some transgression of sovereignty. Most states in Asia have realized the importance of regional solutions in combating these new challenges but much remains to be done in most, if not all, regions. Environmental challenges as well as organized crime are only two examples where the effects are transnational and where unilateral or bilateral solutions will only have a marginal impact on the problems. This is accentuated by the reality that many economically or politically weak states suffer more from new security threats and have very few resources, and also political will, with which to act upon them. Organized crime is one example where the political elite has been proven to be heavily involved, particularly in states that produce narcotics or states involved in the transit of illegal commodities such as humans, narcotics, and weapons. The inability or refusal to act, even in the case of the official signature of documents, on these challenges preempts regional and global solutions.

Each of the sub-regions in Asia suffers from the above to various degrees and the particular manifestations of problems and challenges vary. These variations within each sub-region are important as they will be decisive for the success of multilateralism and international assistance in dealing with the new security threats. This is not to argue that Asian regionalism should be similar to the European experience, but rather that there is need for a realization that multilateral solutions need to be found to many of the regional issues.

South Asia

Arguably, South Asia is afflicted more by traditional security threats rather than new security threats per se, with military tension between India and Pakistan, the domestic violence in India, Sri Lanka, Afghanistan, Pakistan, as well as domestic insecurity in Nepal and Bangladesh. It should be noted, however, that many of the underlying reasons for this violent environment are to be found in non-traditional security issues, such as economic deprivation, religious tension, organized crime (especially in Afghanistan), and ethnic division. Further, the region is highly volatile and there are apparent risks of a spread of violence domestically as well as trans-nationally. Most dangerous are the tense Indo-Pakistan relations, which are susceptible to further intensification not only because of state-to-state relations, but also due to their respective volatile political situations. In Pakistan political cohesion is weak and there is much resistance against the state; similarly in India where there is a very high number of internal conflicts, especially in the northern regions that do not accept the rule of New Delhi. Furthermore, while bilateral mechanisms between India and Pakistan are at play, they do not suffice in impacting positively in terms of regional security and cooperation.

This is a situation that has a great bearing on cooperation in other areas, such as in economy, the environment, and organized crime. Organized crime has, as one example, flourished in Afghanistan, and despite the international presence in the country, it has emerged as the primary producer of heroin (94 per cent of world production) and a center for organized crime.⁶ This has severe implications for the neighboring states that serve as both transit routes as well as consumer markets. Organized crime erodes the economic and political functions of states rendering them increasingly weak, with the consequence that they lose the capacity and willingness to act against organized crime and other security threats. This is very much due to the criminal cooption of the state and the economic benefits that organized crime offers to individuals in the short term. The implications are devastating for the state as its ability to act in other areas

⁶ United Nations Office on Drugs and Crime, *World Drug Report 2008* (New York: United Nations Publications, 2008).

such as environmental protection, economic development, and social security is severely hampered. Similarly, the conflicts in the other South Asian states have created a multitude of new security threats that has proven hard to manage. Despite the at least nominal democratic development of the region, there continue to exist domestic conflicts, very high levels of tension, and a profound inability of the states of the region to adequately provide, in terms of economic and social development, for their populations.

South Asian regional structures are increasingly stalemated due to the conflict between India and Pakistan, a security threat that has persisted since the partition in 1947. The regional structures, and then especially the South Asian Association for Regional Cooperation (SAARC), have not been able to perform any real function in combating the emergence of new security challenges, as well dealing with the old security threats.⁷ While SAARC has been used to meet such threats, no significant progress to date has been achieved due to the political tensions that preclude any success in such efforts. Poverty, human security, etc. are issues that have largely been left to national governments to handle, much to the detriment of the people residing in the region.

Southeast Asia

Southeast Asia exhibits a greater degree of stability than South Asia as a region, this despite a much more diversified grouping of states that ranges from democracies to totalitarian states, from free trade-oriented to communist, and from highly developed to underdeveloped. The number of traditional security threats is fewer, however, which are largely confined to certain countries and areas, such as Myanmar, the Philippines, and Southern Thailand. As in South Asia these conflicts have had a detrimental impact on economic development and social stability, something which is most visible in Myanmar and which has been exacerbated by interna-

⁷ Mohammad Yousuf, "SAARC failure overshadows anti-terrorism taskforce," *The Daily Star*, February 17, 2009, <http://www.asianewsnet.net/news.php?id=4005&sec=3&t=3995>, Björn Hettne, "Security and Regionalism in Europe and South Asia," in James J. Hentz and Morten Boås, eds., *New and Critical Security and Regionalism: Beyond the Nation State* (Aldershot: Ashgate, 2003), p. 159.

tional sanctions.⁸ Nevertheless, none of the traditional conflicts in Southeast Asia poses a significant risk to overall regional stability.

Regarding the new security threats, Southeast Asia has had long experience of them; organized crime and then especially the heroin trade from Myanmar, for instance, has constituted a serious long-standing issue. Thailand – which together with China has been most affected by narcotics trafficking – has taken very harsh measures to combat the inflow of heroin and, to an impressive degree, has been successful in stemming the flow. This even if the most apparent reason for the decrease of Burmese heroin is the competition from Afghanistan and a change in the pattern of drug consumption in the consumer states that Myanmar has traditionally exported to, such as the shift to methamphetamine in Thailand. Piracy and the threat of terrorism have also been high on the agenda for the Southeast Asian states, and even if the results of efforts to combat such are debatable, there should be some acknowledgement that there has been a degree of success.⁹ Southeast Asia has also been badly affected by natural disasters such as the tsunami in 2004 and Cyclone Nargis in Myanmar in May 2008, which had devastating effects on the countries affected. These challenges – and the necessity of dealing with them – have been elevated high on the regional agenda, and on each state's own agendas. Yet at the regional level there is still a lack of coordination and despite the fact that many structures have been discussed, few have been tested in reality.

The above noted, it needs to be acknowledged that regional structures, and especially ASEAN, have been relatively successful in dealing with non-traditional security threats, and arguably they have been very successful in preventing military conflicts: there has been no military conflict between the members states of ASEAN since the organization's creation despite many unresolved conflicts. In spite of this, there are no formal mechanisms that are used to handle regional security challenges, even if

⁸ Xiaolin Guo, *Myanmar/Burma Challenges and Perspectives* (Stockholm: Institute for Security and Development Policy, 2008).

⁹ International Crisis Group, "Indonesia: Jemaah Islamiyah's Current Status," *Asia Briefing*, No. 63 (May 3, 2007); International Crisis Group, "Weakening Indonesia's Mujahidin Networks: Lessons from Maluku and Poso," *Asia Report*, No. 103 (October 13, 2005).

there is impressive bilateral and to a certain extent multilateral cooperation. In this sense, it is not to say that ASEAN is a failure. Southeast Asia is on the contrary a success story with ASEAN facilitating confidence building and reducing political tension in the region. Increased cooperation between the member states and an increased membership to include all 10 Southeast Asian states speaks for some of its achievements. Non-intervention and the principle of sovereignty have made ASEAN reluctant to intervene in any conflict that could have national repercussions and, overall, ASEAN has to date not been able to act in many of these possible conflicts. And while ASEAN has created the ASEAN Free Trade Area as a mechanism to handle economic crises better, it is still a long way from being truly effective in handling such; and as the 2008 financial crisis clearly demonstrated, regional solutions might be positive but global solutions are what are really needed.

Northeast Asia

Conspicuous through their absence, Northeast Asia is notable for the fact there exists no fully regional structure to date that is able to deal with regional security issues. Most attempts at such have been trans-regional such as the Six-Party Talks and ASEAN+3, and in these cases there is still much to be improved in terms of combating non-traditional security threats.¹⁰ This is not to say that the region is without tension: on the contrary, Northeast Asia is one of the most militarized regions in the world with the United States,¹¹ China, North Korea, and Russia all armed with nuclear weapons. Serious tensions therefore still remain in the traditional security domain with comparatively little attention accorded to non-traditional security concerns, the exceptions being economic development and energy security that have risen in importance as security concerns. The Korean Peninsula and the Taiwan Strait would seem the most sensitive issues, despite a significant improvement of relations over the Strait

¹⁰ Gilbert Rozman, *Northeast Asia's Stunted Regionalism: Bilateral Distrust in the Shadow of Globalization* (Cambridge: Cambridge University Press, 2004).

¹¹ Even if the U.S. is not geographically a part of Northeast Asia it is still one of the most important actors in the region due to its economic, political and military impact.

since the election in Taiwan 2008 that heralded a more China-friendly government. Taiwan is also effectively ruled out as an actor in regional and international organizations due to its disagreement with China regarding its status – an exception being membership in the World Health Organization where there has been an opening for Taiwan to join but not without preconditions.

It has been argued on many occasions that Northeast Asia is the last region where legacies of the Cold War are still very much present, and this is very much reflected by the focus on traditional security threats and the lack of cooperation between state actors. Despite the region's favorable economic climate and a level of intra-regional trade far higher than any other Asian region, the improvement in political relations has been modest at best. Sino-Japanese relations have been very tense, even if significant improvements were made in 2008. The failure of the two most important actors to cooperate – China and Japan – has, in conjunction with the tensions on the Korean Peninsula and the Taiwan Strait, been the main impediment to further cooperation in handling security issues.¹² With the recent improved climate between China and Japan there is some hope that the focus on non-traditional security threats will be strengthened, especially in the fields of energy security, economic development, environmental security, and organized crime. A significant obstacle is that there is very little trust between the actors in the region, and the likelihood of an effective regional mechanism being institutionalized seems fairly remote. Dealing with an economically hot but politically cold climate has resulted in the region underperforming in economic terms as the political climate still impacts negatively upon economic development.

While there have been several calls for greater regional integration and leaders in the region have undertaken efforts to better connect the states of the region, there is very little that has actually been done to implement such efforts. It is not to be doubted that the governments in the region have realized the importance of better cooperation, but even so it

¹² Niklas Swanström and Ryosei Kokubun, eds., *Sino-Japanese Relations: The Need for Conflict Prevention and Management* (Newcastle upon Tyne: Cambridge Scholars Publishing, 2008).

has been difficult for primarily political and military reasons to achieve this goal.

Central Asia

Central Asia has become an important case to analyze vis-à-vis regional organizations as it has one of the most active structures in the form of the Shanghai Cooperation Organization (SCO). It could quite justifiably be argued that the threat that the organization is focused on is either very traditional in shape and form, or aims at strengthening the individual states against separatists or fundamentalists, i.e. domestic security challenges and is therefore less interested in taking on new security threats. This is found in the reluctance and lack of willingness among the Central Asian states to cooperate with one another, as well as a fear of being subsumed under the dominance of the old master Russia or the new partner in China. The Central Asian states are wary of their subordination to the agendas of more powerful states, a fear that was further heightened after the Russian invasion of Georgia in August 2008.¹³ Therefore the agenda differs between the smaller states and the larger states (Russia and China). The Central Asian states are much weaker than China and Russia, and furthermore, Tajikistan, and to a certain degree Kyrgyzstan, have been co-opted by organized crime; hence with the exception of Kazakhstan, there is little economic development and social security in the region. This development has made SCO unable and unwilling to act in many of the new security threats, much to the concern of China that is interested in expanding SCO.

China, as the primary engine in the development of the SCO, has attempted to embrace more economic cooperation as well as so-called soft security threats under the organization's purview, and the SCO's agenda has consequently seen a focus on terrorism, organized crime, and even the environment. The Central Asian states have primarily been preoccupied with domestic security and the spread of militant organizations, a goal

¹³ Niklas Swanström, "Shanghai Cooperation Organization and the Aftermath of the Russian Invasion of Georgia," *China and Eurasia Forum Quarterly*, Vol. 6, No. 3 (2008), pp. 3–8.

that is shared by both Russia and China. However, Russia is less convinced that SCO is the preferred organization and has in practice tried to override the SCO through the Commonwealth of Independent States (CIS) that Russia is in control of. The Central Asian states, for their part, have instead tended to play these two organizations and their power masters off one other. Nonetheless, the SCO has emerged as the more successful organization with confidence-building efforts in evidence and increasing attention paid to non-traditional security threats.

The SCO has been more successful than many analysts in the West believe; but much still remains to be developed. This is especially in the area of trans-regional cooperation and specifically in areas that would infringe on national sovereignty to any degree – and here the Central Asian states display considerable concern due to their weakness and susceptibility to internal meddling. It is apparent that the SCO is here to stay in the region as an important actor, but due to the internal weaknesses of many of the smaller states and the dimension of Sino-Russian competition, its potential is much reduced.

Trans-regional Structures

There is a multitude of trans-regional structures in Asia that focuses on thematic problems as well as several organizations that have a broader security focus. What characterizes all organizations, however, is their relatively weak structures and lack of independence vis-à-vis their member states. In spite of this, the solution does not necessarily lie in more structured and independent organizations. ASEAN, for example, lacks much autonomy and could seem to have little muscle to act in security threats, yet it has nevertheless proven to be an important vehicle in handling security threats in Southeast Asia. The failure to formalize regional structures has created an environment where there are problems acting upon many of the new security threats, something which the economic crises clearly showed in 1997 and in 2008.

The ASEAN Regional Forum and the Six-Party Talks are examples of multilateral structures that function as trans-regional structures in handling security threats. Many of the structures have failed to deal with the new security challenges. APEC has, as one example, been effectively sta-

lemated due to the differences in perceptions between the Asian actors led by China and the “West” led by the U.S. on how to handle conflicts.¹⁴ This has been very unfortunate since APEC could very well have served as a bulwark to mitigate the 2008 financial crisis through increased cooperation and more effective countermeasures, even if preventing the crisis would have been too much to ask for. In sum, there are very few trans-regional structures in Asia that effectively address so-called new security threats, which instead remain largely neglected or under-prioritized.

States have largely failed to cooperate due to a lack of trust and common interests, but also since many states view the new security challenges as internal problems – or underplay their significance as constituting security threats. Indeed, some states view environmental security threats as “luxury” issues that developed states can focus on, but which is not something developing countries can afford to do. This is a view that is not only wrong, but will also create unimagined consequences in the future. Others benefit from these security threats, such as states involved in organized crime and/or attached to militant organizations. Additionally, some governments possess very weak enforcement mechanisms due to economic or political weakness and are therefore incapable of acting in regard to most non-traditional security threats. The focus of many of these states is somewhat short-sightedly reduced to securing their own political and economic power.

The above has led many states in Asia to deal with new security threats at a bilateral or even unilateral level, and even in the cases where there are multilateral efforts, they tend to be more ad hoc in nature and, rather, new threats have been allowed to spread largely unhindered. This has caused a situation whereby there is an urgent need for greater multilateral efforts in Asia. Before such can be undertaken, however, there is first a need to increase trust and confidence between the states in each region, potentially with the exception of ASEAN, before any greater regional efforts can be implemented.

¹⁴ Swanström, *Regional Cooperation and Conflict Management*.

Conclusions

Asian structures have primarily focused on military threats and very traditional forms of security, despite that these have decreased in importance as well as the fact that Asian structures prevent states from acting multilaterally in these issues. There is a new thinking emerging in the region with more focus on non-traditional security threats, however, and despite difficulties in developing structures to handle such threats, there has been some success in some fields and in some regions. The success is most notable in areas such as combating terrorism, environmental disasters, and economic crises. The regions of Asia have been less successful, however, in combating organized crime and threats that could potentially impact the government negatively, either in economic or political terms. This has been particularly notable in Afghanistan and Central Asia. There is a need to further develop transnational structures, but the principle of non-intervention and the right to inviolable sovereignty has posed a significant obstacle to such a development. It seems evident that much of the problem with this lies in the very weakness of the states in the region; as long as the political and economic structures remain weak, there are very few incentives for the states to act. This despite the fact that this very weakness exacerbates the problems of non-traditional security threats in the region, and in the long run makes them progressively worse and more difficult to handle.

Moreover, there is a problem with the differentiation between non-traditional and traditional security threats. In reality, there can be very little distinction between them and in many ways they operate in tandem. Many of the traditional security threats provide ample opportunity for the establishment of both terrorist as well as criminal structures in areas of tension and, vice versa, organized crime provides the economic resources for actors to continue conflict and even to internationalize them.

The complexity of the problem is insufficiently appreciated in the wider region of Asia, indeed internationally, and small steps in selected areas will not only be useless, but they could even be counter-productive in many cases. There is not only a need for more multilateral structures in Asia; it is also a question of a need for structures that are ready to and capable of handling more complex issues. This would require far reaching

cooperation within the region, but also with other regional structures such as the UN, the African Union, and others that would increase the international impact of tackling such problems as environmental degradation and organized crime.

Even if international cooperation and integration is needed to counter these threats, the weakest link is potentially not international cooperation but rather the weak states at the bottom of the chain. The politically and economically weak states are the very breeding ground for many of these threats and have very little resources and/or capacity to act. Increased resources would need to be given to strengthen these states both economically as well as politically, and the states that are for example co-opted by organized crime would need to be effectively dealt with through strengthening law enforcement and legal bodies, as well as offered economic alternatives to organized crime and through this long-term solutions to their problems. Neither politically nor economically weak states can be “cured” with increased democracy – and not least superficial democracy. The solutions have to be far broader and focused on strengthening the state apparatus and economic systems to effectively create a state that can, and is willing to, act.

Needless to say, none of the solutions are easy to come by and increased international support and a great deal of regional political willingness is needed – much of which is lacking today, but which can be summoned as a product of the very critical crises that we have seen in Asia such as Avian influenza, the Tsunami, and financial crises. Whether efforts to widen our perceptions of how we look at security and increase the range of solutions at our disposal will suffice will only be seen in retrospect. Nevertheless, it is evident that very much still remains to be done.

The Changing Nature of the Race for Oil

Ingolf Kiesow*

Theories about Price and Availability

The main focus of a discussion on energy security as an international problem is the geostrategic consequences of the rapid price increase for oil during the first years of this millennium, from a level of US\$24–28/barrel to nearly US\$150/barrel. The impact was not sudden, but it was enormous and made “resource nationalism” again a common phenomenon. Examining how widespread it is and if there is a need for counter-measures is the subject of this chapter.

Such upheavals like the recent oil price fluctuations are naturally a cause for speculation. Politicians and media turn to scientists, and scientists of different kinds offer widely differing conclusions. Some subscribe to “zero sum thinking” while others go so far as to say that the world has no need to worry about the situation and that the oil business can go on as usual. The question is not unimportant, however, as to whether it is right to carry on a national resource policy dictated by nationalism – believing oneself to be involved in a zero sum game – or to favor a free market with all the means of influence available. Some of the theories of the scientists shall be outlined as a background to the subject.

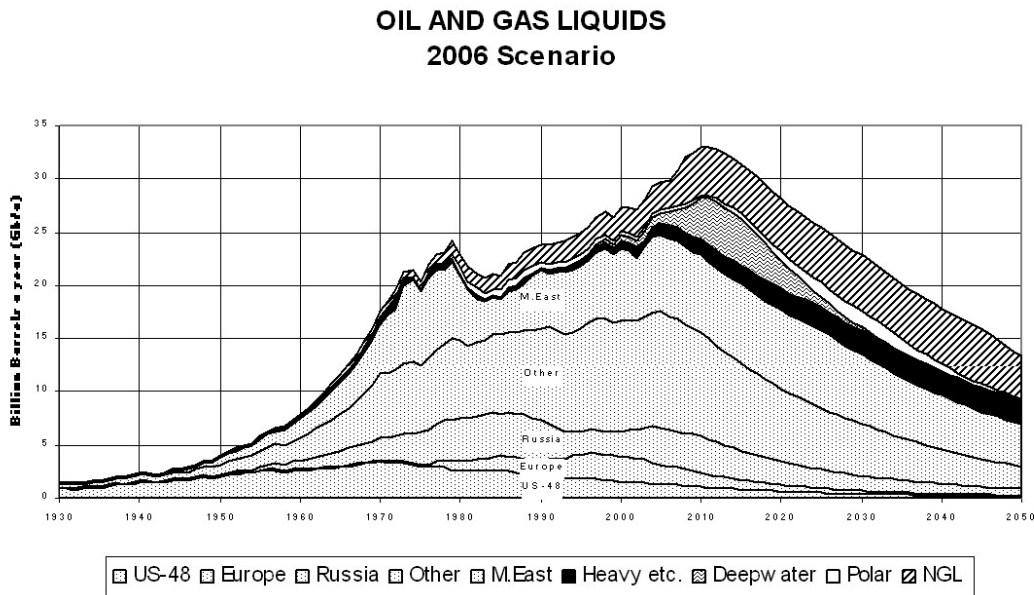
Peak Production Theory

A number of scientists – but not a majority – have begun warning about “Peak Production.” Figure 1 has been provided by Professor Kjell Aleklett, from the University of Uppsala, who chairs the Association for Studies of Peak Oil and Gas Production (ASPOG). ASPOG is an association of specialists focusing on different aspects of oil and gas production, including geologists, physicists, engineers, and economists, who are concerned with the present trend of continued increases in oil and gas consumption. They

* Ingolf Kiesow is Ambassador-in-Residence, Senior Research Fellow, Institute for Security and Development Policy.

consider it well enough established where oil and natural gas can have been formed during the earth's history and that we today have enough knowledge about where it could happen. All these areas have likely been investigated already and therefore oil is not likely to be found in other areas. They also consider it established as a matter of fact that current levels of production have reached the highest levels that all the world's oil fields are likely to yield. Indeed, they actually tend to say that we have already passed that "Peak Production" level and that instead of counting on continuously rising consumption levels, we will have to reduce them because of slowing production.

Figure 1
Production of Oil and Gas Liquids to Year 2006 and Production Scenarios



Note. The regular oil is divided into the fractions US-48, Europe, Russia, Middle East, and Other is the rest of the world.

Source: Diagram kindly provided by Professor Kjell Aleklett (December 2007).

Objections from Other Natural Scientists

Even if an increasing number of scientists accept Peak Production theory, it does not seem that on the global level they represent the dominant opinion. Representatives of the "Establishment" (that is, traditional branch expertise) have basically the following objections:

In the calculations by the ASPOG the unconventional oil resources have not been included. Already now the share of unconventional oil in the production exceeds 5 per cent globally, and the Cambridge Energy Research Associates (CERA) has calculated that in 2010 that figure could already be as high as 35 per cent. Environmental factors also represent a problem for the production of oil from tar sand and bitumen, but to a lesser extent than for synthetic oil. This kind of unconventional oil is available in very large quantities, actually as large as the known reserves of conventional oil, according to International Energy Agency (IEA) calculations. With present-day techniques, the most expensive way to extract oil is from bitumen. It can only be done at a cost of around US\$25 to 70/barrel. In spite of this, considerable investments are already being made in this kind of production.

One observation is relevant here: since the International Oil Companies (IOC) have declining, or stagnant, amounts of resources available in reserves, they are likely to obtain an increasingly smaller share of the total world production during the next 10 to 15 years. National Oil Companies (NOCs) are likely to account for the remaining part, due to their better access to the owners of the remaining new fields, who typically are governments. That means that the “free market” will have a shrinking share of the total market.

Economists

There are several economic theories which claim to be relevant in connection with Peak Production Theory. The Swedish Energy Agency (STEM) has presented a critical analysis in its report *Finality of oil: A moving target*.¹ According to STEM, the oil industry is cyclical as all other types of industry. Capital costs represent a very high share of the total cost. Capacity accumulation is created in leaps. When a finding is made, extraction can be carried on for several years. Accumulation of reserves consequently occurs at intervals as well, but it is also concentrated in periods of favorable

¹ *Oljans ändlighet: Ett rörligt mål! En del av Energimyndighetens omvärldsanalys*. ER 2006: 1 (Stockholm: Statens energimyndighet, 2006).

trends, when the existing resource base and the extraction capacity are considered insufficient.

Typically the shift between cycles is characterized by a strong but peaking economic trend, which turns into recession. At the end of that period, the capacity for meeting the demand from the market is insufficient. Prices rise at the same time as investments in new reserves and extraction capacity increase. When the economic trend changes, investments have already resulted in new capacity. This creates larger reserves and a greater capacity than demanded by the market, which, in turn, leads to excess supply and falling prices, at the same time as investments in finding new oil and/or increasing capacity in existing equipment is held back. Soon, however, this situation with lower prices leads to another growth in demand. Prices rise at the same time as investments remain at a low level. At the end of the oil cycle, a period with very strong economic growth and strong demand for oil occurs. The previous excess capacity disappears and the reserves begin to decrease. This is when the oil companies again begin to invest in new oil and capacity for extraction; but this takes several years and, meanwhile, the gap widens between demand and supply and prices can rise very high. According to this theory, the world is witnessing the beginning of a new oil cycle from September 2008.²

Environmental Considerations

There is another dimension of the situation: the environmental dilemma. Already during the first years of this millennium, the car industry started to seriously attempt to use other forms of energy than combustion engines running on petrol. Combined efforts in a number of important countries add to the weight of a global effort to diminish the consumption of oil for environmental reasons. This may, of course, have a moderating effect upon investments by the oil industry. Supply will be lower and the price level will be higher. In theory this also means that supply will be less finite, since more oil will be left under the earth's surface.

² "Oljan kommer att falla i pris," *Svenska Dagbladet*, September 2, 2008.

Long-term Producer Ambitions Can Keep Production Down

Within the oil-producing Arab world, there has been an ongoing debate since oil became an important factor for the local economy. Should maximum export income now be the highest priority, or should it rather be to get maximum long-term value for all oil which can be extracted from the ground within the borders of the country?

Saudi Arabia maintains that it is able to pump 12.5 million barrels per day for as long as the markets need, once new capacity has been installed in 2009. This claim has been disputed by rumors about a (confidential) field-by-field breakdown from 2009 to 2013.

The question remains, therefore, whether there are real “depletion problems” for Saudi Arabia, or whether perhaps it is “only” insufficient investments made during the last couple of years that is the real reason behind some of the apparent problems hindering production increases in Saudi Arabia? It may obviously also be explained by pressures from influential quarters to make the policy of the oil producing country concerned more long-term oriented and aimed at getting the best value out of available oil resources. It is easy to understand why statements tend to be cryptic, when opposing forces are at work, as can be seen in the Middle East and Russia, for instance.

“Science As An Organized Body of Knowledge on a Subject”: Energy and the Study of Geopolitics

One of the definitions of “science” found in the *Oxford Dictionary* is that it is “an organized body of knowledge on a subject.” This definition seems to be best suited for describing the knowledge required in trying to understand the geopolitical consequences of the very strong fluctuations in the price of oil and also the resulting fluctuation of the price on the emerging spot market for natural gas, which tends to follow the trend in the oil price. A psychological climate that can be described as “resource nationalism” seems to be spreading and causing governments to act in the pursuit of “politics as determined by its geographical features,” that is, whether they are importers or exporters of oil and gas. This will be the subject of analysis as follows, but it should be observed that so far there does not

seem to be any reason to believe in a predetermined “end of oil” occurring in the near future.

Oil and gas will have to be consumed in smaller quantities for a number of reasons, but it is still up to the governments of the world whether this situation will lead to a mindless race for oil and gas, causing conflicts and economic distress in other countries, or a balanced and coordinated change of consumption patterns and politics to make the transition as smooth as possible. In other words, there is no room for panic but a strong need for constructive and cautious thinking before taking concrete actions.

There is a problem for the “Western” countries – in this context meaning the United States, the European Union, Japan, the Republic of Korea, and a few other industrialized countries with little or no oil – namely that the “free market” for oil and gas is shrinking. As NOCs begin to dominate the trade with new resources, the traditionally privately owned IOCs find it increasingly problematic to get access to new fields. In a longer term perspective, this will inevitably lead to higher prices. This adds to the problems already described and which have been behind the price increases during the first years of the new millennium. Since it will have so strong an impact on the societies of the Western world, it seems inevitable that governments will have to become more active and that can mean international competition of a kind that tends to create conflicts.

It would, however, be wrong to conclude that this is only a problem for the richest countries. The tendency to encourage and support the NOCs in their use of all available means to get access to new fields is much stronger in the emerging economies, namely China and India. They feel that they are lacking influence over and tend to be disregarded by the IOCs, which traditionally have their head offices in the rich countries, and regard it is a patriotic obligation to help their NOCs in the competition with the IOCs as well as in the competition with the NOCs from other countries.

Nothing can Substitute For Oil in the Transport Sector

There is a special dimension that tends to reinforce the patriotic rhetoric that is often heard in connection with debates about the need for “secure

oil supply." No other form of energy can be transported as easily and has such a high energy value per unit as oil. It is for instance not possible to fly an airplane on coal or electric batteries; and even the car industry finds it extremely difficult to find acceptable alternatives for petrol.

Since mobility is vital for modern war fighting capability, differences in efficiency of transport means can be of decisive importance in waging a war. This has been true ever since coal became a necessity for steam-ships, and finding bunker harbors for the navies of the empires during the nineteenth century made them colonize places in the Persian Gulf that were otherwise of no special significance.

As long as it is not possible to use alternative forms of energy in the transport sector, the needs of this sector and the military will make the demand for oil a great deal less elastic than demand for coal, nuclear power, or hydroelectric power. The military aspect makes that situation potentially more dangerous and more emotionally loaded. To secure oil supply for transportation can become a question of existential significance for certain countries.

The United States has the world's largest economy and it is also the most dependent on transportation for its domestic economic structure. It has also the most powerful military in the world, which is vulnerable to lack of oil. Its air force and navy will not be able to exercise global dominance if they run out of oil and they will not be able to transport the army to places where its presence is needed. This becomes a really remarkable fact, when one realizes that the U.S. is also the country that has most eloquently and consistently argued for the benefits of a well functioning free market for oil. Since the United States is the country in the world with the fastest growing and the biggest demand for imported oil, one may wonder how long it will be before the principle of free trade for oil globally becomes difficult to uphold. The policies of the European Union, Japan, and South Korea are not dictated by military considerations to the same extent as the American policy, but they also lack domestic oil resources and transportation is vital for their economies – and the military aspect is important in Europe, Japan, and Korea as well.

The economies of the developing countries are often hit harder and faster by an increase in the price of oil and gas than the economies of the

countries of the industrialized world. The two largest emerging economies of the world, China and India, also have large military forces and attach great importance to their operational capability. Both have ambitions, at least at sea, to be able to exercise “power projection” beyond their immediate neighborhood. For historic reasons there remains in both India and China a great deal of mistrust about the benefits of globalization and principles of the free market. When energy needs are discussed, there is less natural resistance against resource nationalism than in the Western countries.

This is the kind of geopolitical reasoning that makes “secure supply of oil” a strategic question, which is often discussed in other terms than those of economic, geologic, physical, or even political science. Military and political aspects become more important and more opaque for the outside world. This is why it would seem to be a truly serious issue to not only counter the emerging tendencies towards zero-sum thinking and preserve the existing mechanisms for free trade in oil and gas, but also to find ways and mechanisms to consider the needs of all countries during a time of fundamental changes.

Symptoms

Certainly the price rise in oil since 2003 has been faster than before, when the level was around US\$24–28/barrel. But why were there so many different signs of the coming problems before this long period of nervousness hit the markets? The answers can be summarized in three observations. There is a growing structural instability in several producer countries; there is a rapid increase in demand and limited increase in production in some key consumer countries; and there are fears of “Peak Production,” meaning that global oil and gas production seems to be in decline rather than increasing, thus creating a world-wide gap between increasing demand and declining power production.

Expensive Oil

Reason 1: Political Unrest

Domestic ethnic and social strife in combination with political violence has afflicted (and continues to do so) countries like Nigeria,³ Saudi Arabia, Iraq, Sudan, Indonesia, and Venezuela. With the exception of Venezuela, all of the above countries are Muslim countries and the civil unrest is related to conflicts between traditionalist and more modern ways of thinking, which would seem to be a phenomenon set to stay for many years to come and is likely to get worse before it improves – if it ever does.

Saudi Arabia has been able during previous years to use its production capability in the service of all the OPEC countries as a buffer between higher and lower price levels, so that a more or less stable price level could be maintained. That does not seem to be the case anymore, as OPEC declarations have considerably less influence on the price level for oil today in comparison to the situation during the 1990s.⁴

Iran is in conflict with the United States over its nuclear ambitions and the already previously existing legislation about economic sanctions against Iran has been set in force in addition to some limited UN sanctions.⁵

International terrorism of the kind that resulted in the attacks on the World Trade Center in New York and on the Pentagon has led the U.S. to declare war on terrorism. That war has *inter alia* been fought in Afghanistan and Iraq, but the way in which it has been fought has caused strong anti-U.S. and anti-Western sentiments all over the Muslim world.

In Russia, several oil and gas companies were turned into state enterprises during Vladimir Putin's presidency by methods that have frigh-

³ A more serious civil war was declared by the Movement for the Emancipation of the Niger Delta in September 2008.

⁴ Ali Hussain, "Supply/Demand: Security of Oil Supply and Demand and the Importance of the 'Producer-Consumer' Dialogue," *Middle East Economic Survey*, Vol. XLIX, No. 50 (December 11, 2006), available at: <http://www.mees.com/posted-articles/oped/v49n50-5OD01.htm> (accessed March 10, 2008).

⁵ "Security Council heightens sanctions against Iran over uranium enrichment," *UN News Centre*, March 24, 2007, available at: <http://www.un.org/apps/news/story.asp?NewsID=21997&Cr=Iran&Cr1> (accessed March 10, 2008).

tened off potential foreign investors, engendering fears that Russia will face problems relating to capacity in the near future.⁶

Reason 2: Growing Gaps Between Demand and Supply in Key Countries

Particularly in Asia, but elsewhere as well, gaps have emerged between rapidly increasing economic expansion and a resulting increase in demand for oil and gas, clearly showing the weakness caused by non-existent domestic resources (as in Japan, Taiwan, and South Korea) or insufficient resources (as in China, India, and Indonesia).

China is a good example. It consumed 1.8 million barrels a day (Mb/d) in 1980 and produced 2.2 Mb/d. That made it possible to export 0.4 Mb/d and China continued to be a net exporter until 1993. In 2003, however, China consumed 5.6 Mb/d and was only able to raise its production of oil to 3.5 Mb/d. That meant a need to import 2.1 Mb/d.

India demonstrates a similar scenario. In 1980, it consumed 0.6 Mb/d and produced 0.2 Mb/d, which necessitated an import of 0.4 Mb/d. However, due to rapid economic growth, oil consumption had risen to 2.3 Mb/d in 2003, but production could not be raised to more than 0.8 Mb/d. As a consequence, 1.5 Mb/d oil had to be imported.

The sum of these developments is that the three main oil consumers in Asia (China, India and Japan) in 1980 consumed 5.0 Mb/d of imported oil compared to 9.0 Mb/d in 2003.

This, however, is not the most prominent reason for greater pressure in the increase in world oil trade; that comes from the United States. The U.S. import of oil rose from 6.7 Mb/d in 1980 to 13.5 Mb/d in 2005. During the same period, its share of the world's total oil import has increased from 21 to 27 per cent.

The above increase is more than that for Europe and Asia combined and yet, for some reason, it is rarely mentioned in international debates on the energy issue. Attention has so far focused on the more "spectacular" cases of China and India.

⁶ Ken Koyama, et al., *Russian Oil/Gas Development and Its Implications for Japan* (Tokyo: The Institute of Energy Economics, Japan, 2006), available at: <http://www.eneken.iee/jp/en/data/pdf/402.pdf> (accessed March 10, 2008).

What happened to the giant consumer that is the United States? Most importantly, sources of oil dried out somewhat more rapidly than expected. Consumption, on the other hand, is not slowing down; it continues to grow by around 2.5 per cent each year, and the U.S. is today importing as much as, or even more than, Europe, where there are only insignificant domestic resources.

Consequences of Expensive Oil: A Race for Oil and Gas

The competition between consumer states over raw energy materials has already resulted in a race for oil and gas in Central Asia and Siberia. Since new fields of natural gas are more available for new contracts and as environmental concerns have made gas more attractive as a cleaner source of energy, competition has been especially obvious in the case of gas. In Central Asia, U.S., Canadian, European, and Asian companies are struggling for new contracts and are aiming to sway states through high level visits by government officials. Above all, it is a race for the rich gas fields in Kazakhstan and Turkmenistan. China has been very active on the official level, while Russia has been struggling to remain the sole outlet for Kazakh and Turkmen oil and gas, as it was during Soviet times when Kazakhstan and Turkmenistan were still part of the Soviet Union. Meanwhile, European and U.S. companies have cooperated to obtain a second outlet through Turkey to Europe, albeit in this case without overt government support.⁷

In Siberia it is mainly Chinese and Japanese companies who vie for the right to use new Siberian natural gas fields (or at least to receive the gas at the other end of the pipeline), for which both countries have offered to finance construction costs on generous conditions.

In Latin America, Canada, and Sub-Saharan Africa south of the Sahara there are still oil and gas fields being offered for bidding to foreign companies, with Chinese and Indian companies being backed by their governments in order to gain the upper hand in the competition. China

⁷ "Franco-Turkish Dispute Overshadows Nabucco Project," *Euractiv.com*, available at: <http://www.euractiv.com/en/energy/franco-turkish-dispute-over-shadows-nabucco-project/article-170424> (accessed March 10, 2008).

has offered weapon sales and development aid in support for long term contracts over energy in some African countries.⁸

Non-Asian Main Actors

Russia

Russia sells most of its raw energy materials to Europe. It is estimated to possess 6–7 per cent of the world's oil reserves and 27 per cent of the world's reserves of natural gas, which makes it a major player on the international markets.⁹ However, the resources are limited. At the present rate of production, known reserves of oil will only last for 20 years, compared to Iran where the oil will, theoretically, last for 138 years. In the case of gas, the situation seems to be much better for Russia. It is situated between Europe and Asia and is a great supplier of energy raw materials to both regions.

“Ensuring national security is the fundamental task of the energy policy,” according to *Russia's Energy Strategy*, a document published in 2003.¹⁰ Since security for one nation may mean insecurity for another, Russia has been accused of using its energy assets to blackmail others whilst being egoistic. That is true in some respects, but to be fair, there are also two three quite “legitimate” reasons for this state of affairs. There is a need for the “new” Russia to define the rationality of how much and how fast it

⁸ Princeton N. Lyman, “Testimony: China's Rising Role in Africa.” Presentation to the U.S.-China Commission, Council on Foreign Relations, July 21, 2005, available at: <http://www.cfr.org/publication/8436/.8&q=Middle+East+Policy+Council+web+site&btnG=Google-s%C3%B6kning&lr=> (accessed September 22, 2004); *Al Jazeera News Agency*, available at: <http://www.english-aljazeera.net/HomePage> (accessed November 1, 2004). “China emerges as a major energy player,” *Alexander's Gas & Oil Connections*, Vol. 9, Issue #17, 2004, available at: http://www.gasandoil.com/goc/frame_cns_company.htm.

⁹ *BP Statistical Review of the World Energy*, available at: <http://www.bp.com/productlanding.do?categoryId=6842&contentId=7021390>

¹⁰ Robert Larsson, *Russia's Energy Policy: Security Dimensions and Russia's Reliability as an Energy Supplier*, FOI-R—1934 (Stockholm: Swedish Defence Research Agency, 2006), p. 48.

should make use of its own resources. There is also a need to know exactly by scientific methods how much Russia possesses, how much it needs for itself, and for how long these raw materials can be sold without limiting Russia's own consumption. Furthermore, environmental considerations have to be established as well as how much that will limit the use of oil and gas (a problem that is often emotional and sometimes misunderstood).

Attention was suddenly focused on the problems with Russia's image as a supplier of oil and gas, when Georgia was attacked in August 2008. Europe's dependence on supply from Russia and Central Asia was highlighted and the emotional reactions by the Russian leaders caught much attention. Much was said about how the Russian leaders must feel obliged to respond to domestic expectations by adopting a strong stance when Russian and European interests collide. Dependence on Russian deliveries therefore suddenly seemed perilous for Europeans.

At the other end of the country, development of Russia's Siberian assets of oil and gas are ongoing in a slow but rather methodical way. Russia is also considering building pipelines from the Baikal region for export of oil and gas to a harbor on the Pacific Coast, near Vladivostok. In order for this to happen, a pipeline for oil needs to be first drawn from Baikal to connect the long trans-Siberian web of pipelines. Russia wants to first make sure that it will get oil and gas for its own use, before it can begin to export.¹¹

A pipeline for oil, later to be completed with one for gas, is being constructed from Tayshet in eastern Siberia via Skovorodino near the Chinese border to Kojimo Port near Nahodka on the Sea of Japan – the so called ESPO project (East Siberia-Pacific Ocean). Negotiations have continued with China about constructing a bifurcation plant at Skorovodino to connect it with the Chinese web of pipelines, but Russia is still working

¹¹ At the same time, it has been said that Russia wants to make sure that oil can be transported in the other direction: when and if it takes longer time than projected to make the East Siberian oil-fields productive fast enough, oil will have to be taken from West Siberian fields to fill in the gap that may arise, according to contracts that will soon have to be made. See Izuru Yokomura, "Despite the boom times, is Russia ready to go it alone?" *Asahi shimbun*, available at: http://www.gasandoil.com/goc/_ntr_news.htm.

to make sure that there is enough oil in the wells for supply to both the international market – where Japan is supposed to be the most important consumer – and for China.

The former Russian President, Vladimir Putin, has been criticized in his own country for binding the export of oil and gas by favoring construction of pipelines to markets in Asia, where the customers can dictate the price (which, it is claimed, can be avoided by instead pumping Siberia's oil and gas from centers in western Siberia to ice-free ports in Murmansk).¹²

United States

About 50 per cent of the United States' oil imports come from the Western hemisphere. Three large suppliers, Canada, Mexico, and Venezuela, account for over 40 per cent of deliveries to the United States. A study of the energy situation in the U.S. finds that its dependence on energy supply will remain great and that room for self sufficiency is small – in spite of ambitious plans for energy saving and greater efficiency in production and use of energy.¹³ As a consequence, U.S. engagement in energy supplying regions of importance and oil transport lanes will remain very strong.

On the surface there seem to be many similarities between European and U.S. energy policies, and as a result they could cooperate in many ways. In reality, however, there also remain important differences. It is, for instance, a U.S. interest to prevent Europe from becoming overly dependent on supply from Russia for energy raw materials such as oil and gas. For Europe, on the other hand, Iranian energy is a potentially important substitute for Russian deliveries but the U.S. prefers Europe to import from Russia.

There is also a difference in that U.S. foreign energy policy confirms and reinforces the trend toward accelerating unilateral and/or bilateral

¹² Vladislav Inozemtsev, "The President Exaggerated," *Nezavisimaja Gazeta*, September 2006.

¹³ Hans von Knorring and Robert Larsson, eds., *Energisituationen i USA och amerikansk energipolitik*, FOI-R–2308–SE (Stockholm: Swedish Defense Research Agency, 2007).

state policies in the field of energy rather than multilateral solutions and the use of spot markets that is preferred in Europe.

Europe

Europe has experienced a relatively calm development in the field of energy, at least when compared with other regions. Economic growth has been slower than in the United States during some years in the period 1980–2003, but more importantly the Europeans, like the Japanese, have made strong and partly successful efforts to save energy. The Japanese success story is the most remarkable one, but that of the Europeans is also nothing to be ashamed of. European imports amounted to 12.2 Mb/d in 1980 and in 2003 it had grown to 13.3 Mb/d, an increase of only 1.1 Mb/d. This explains why, until recently, there has rarely been the same feeling of near desperation in Europe, when energy needs are discussed, as is sometimes the case in Asia and the United States.

Almost all European countries are members of the European Union. It is a political and economic community with supranational and intergovernmental features. It is more than just a federation of countries – but not a federal state.¹⁴ Energy is one field that is not mentioned by the EU Charter, and it has not yet been made a field for common policy and is therefore also not covered by the binding rules for the members. There are, on the other hand, many aspects of energy policy in which members have to observe binding rules in other fields – where the Union does have a common policy – as for instance in the field of environment.

There are also many reasons why there is a tendency to move toward some form of coordinated policy, even possibly a common policy in the formal meaning of the charter. The European Commission has presented an “Energy Overview” and worked on a new one to be presented later. It has also set up a task force on external energy policy.

The lack of a unified EU policy in the field of energy, the very different supply situations of the member countries, and their differing policies may also explain why reactions were so strong in Europe, when Russia attacked Georgia after the latter’s use of military force to restore order in

¹⁴ International Energy Agency, ed., *IEA energy policies review: the European Union 2008* (Paris: IEA, 2008), p. 11.

South Ossetia in August 2008.¹⁵ Feelings of a new Cold War were ventilated in many parts of Europe during subsequent weeks and reminders of European dependence on Russian supply of energy raw materials were common. Two countries, Russia and Norway, together account for 44 per cent of EU oil imports and Russia is the most important gas supplier, accounting for 42 per cent of EU27 gas imports, exclusively through pipelines.¹⁶ The U.S. Government has renewed its warnings to Europeans (with considerably better response) about paying more attention to the perils of dependence on gas deliveries from Russia and areas, like Central Asia, which are easily manipulated by Russia.

The Energy Charter Treaty

There are hopes that the spirit expressed in the EU Energy Charter Treaty (ECT) can be a guideline for an international policy of cooperation that would appear necessary to create. The ECT is a multilateral treaty for the energy sector, which establishes legal rights and obligations.¹⁷ Its aim is to strengthen the rule of law on energy issues, by creating rules to be observed by all participating governments, thereby mitigating risks associated with energy-related investment and trade.

Under the ECT, member countries are obliged to facilitate energy transit in accordance with the principle of freedom of transit and not to interrupt or reduce established energy transit flows. The principles codified in the ECT have helped EU countries to establish a reasonably free flow of energy between its members and also with Russia, who has accepted the Energy Charter declaration in principle but has thus far not signed the treaty. China and the U.S. are observers to the treaty and Japan is a full member, while India is not even an observer.¹⁸

¹⁵ See Svante E. Cornell, Johanna Popjanevski, Niklas Nilsson, *Russia's War in Georgia: Causes and Implications for Georgia and the World*, Central Asia-Caucasus Institute/Silk Road Studies Program, *Policy Paper*, August 2008.

¹⁶ International Energy Agency, ed., *IEA energy policies review*, p. 62.

¹⁷ *The Energy Charter Treaty in 2000: In a New Phase*, available at: <http://www.iis-db.stanford.edu/evnts/3917/Charter.pdf>

¹⁸ "Energy Charter: Members and Observers," available at: <http://www.encharter.org/index.php?id=61> (accessed October 2, 2008)

Asia

According to the International Energy Agency, primary energy demand in the world will increase by 66 per cent from the year 2002 to 2030. Asia's share will increase from 28 per cent to 35 per cent. The share increase will be especially significant for oil. Asian developing countries will take the largest share, 38 per cent in 2030, while China will account for 16 per cent and India 8 per cent. India's demand will more than double during that period.¹⁹ It will also increase its share of total consumption of natural gas and coal. Imported oil will constitute a greater part of consumption in Asia, increasing its share of world consumption from 42 per cent in 2002 to 83 per cent in 2030. This of course is only possible if sufficient amounts of oil can be delivered by the producers.

The quest for oil and gas leads both China and India to focus more on the need for safe Sea Lanes of Communication (SLOCs), especially in the Indian Ocean. This gives added weight to the course of Pakistan and Iran who are likely to remain major players in the strategic situation in Asia for as long as oil and gas continue to be the most highly valued raw materials for energy production. The United States, Russia, China, and India all have high stakes but not necessarily compatible interests in the Sea Lanes of Communication between the Middle East and South and East Asia.

Iran-India-United States

India continues with some degree of success to enhance its links to Iran, partly because India needs Iranian gas and oil and partly because India has great power ambitions and wants to use Iranian influence to its own advantage or at least see to it that Iran does not turn against India; both on the regional and on the global level.

India has initiated maritime cooperation with the United States and is responding positively to invitations to play a policing role together with the latter in the Indian Ocean. But, on the other hand, it is not willing to abstain from the import of gas from Iran via a pipeline through Pakistan,

¹⁹ "IEA-India Workshop on Emergency Oil Stock Issues: Opening Remarks by Ambassador William Ramsey, Deputy Executive Director of the IEA," available at: <http://www.iea.org/dbtw-wpd/Textbase/speech/2004/ramsay/india.pdf> (accessed February 9, 2005).

in spite of U.S. warnings. On the whole, India's strategic attitude is a matter of uncertainty for the region, because of the tensions between modernists on the one hand and communists and nationalists on the other – and the eager U.S. efforts to have India as a strategic partner or even an ally.

Central Asia and the Regional Powers

Russia is striving to maintain its appearance as a “hegemon” in Central Asia, particularly in order to control the flow of oil and gas from Central Asia. Iran, with its coastline on the Caspian Sea, is an important counterpart in this power-game.

Russia and China cooperate in the Shanghai Cooperation Organization (SCO) to maintain their influence in Central Asia. Iran, Afghanistan, and Pakistan are invited as observers. The SCO is used as an instrument to counter increasing U.S. influence in Central Asia and now possibly in Southwest Asia as well – with Russia and China likely to continue this policy. There are, however, also competing interests between Russia and China in the region. Russia is not welcoming of China's growing influence as a buyer of Central Asian oil and gas and its efforts to create new and direct outlets that do not cross Russian territory.

Imported natural gas is becoming increasingly important for China, illustrated by the construction of a great number of pipelines across the country, from west to east. The longest pipeline stretches 9,100 kilometers and construction started in 2008. It will carry gas from the North-Western Xinjiang Uighur Autonomous Region, bordering on Kazakhstan, to Shanghai and connect with South China's Guangdong Province and Hong Kong.

Russia's and China's different outlooks became obvious to all in the SCO debates about Russia's attack on Georgia in August 2008. At a summit meeting in Tajikistan, Russia did not receive any backing from China over its recognition of the two breakaway Georgian provinces. What emerged was largely a compromise between Russia and China. While the Group welcomed “Russia's active role in contributing to peace and co-

operation in the region," it condemned the use of force and reaffirmed its support for the sovereignty of the countries involved.²⁰

Afghanistan, Pakistan, and the United States

A connection between events in Afghanistan and Iraq is quite evident, both in the U.S. debate about whether or not troops should be withdrawn, and also when Al Qaeda make their public statements regarding Iraq and Afghanistan. This is likely to remain a feature for as long as U.S. troops stay in the area, not least because their presence *per se* is a strong reason for the anti-U.S. feelings among the populations in both Afghanistan and Pakistan, as well as in Iraq. If U.S. forces remain for a longer period, there is a growing risk of further radicalization in the region.

For the United States, the question is not only about Iraq or Afghanistan or Pakistan. They are all interconnected, and as such, all decisions are likely to affect the entire region. They will, moreover, have an impact on East Asia's and South Asia's supply of oil and gas from the Persian Gulf; thus having ramifications for the global economy; as well as the safety of the Sea Lanes of Communication in the Indian Ocean; and the U.S. policy of containment of China.

China

China's Energy Needs

As a consequence of uninterrupted, strong economic growth for more than a decade, China became the second largest energy consuming nation in the world in 2006 after the United States. It is the largest consumer of energy in Asia, and the third largest importer of oil in the world.²¹ In 1990, the Middle East accounted for 40 per cent of China's oil imports, whereas

²⁰ "Shanghai Cooperation Organisation Cautiously Endorses Russia over Georgia," *World Socialist WebSite*, September 3, 2008, available at: <http://www.wsws.org/articles/2008/sep2008/sco-s03.shtml>

²¹ IEA, *Key World Statistics 2006*, available at: <http://library.iea.org/textbase/nppdf/free/2006/key2>

the share of Asia and Oceania – areas which used to be regarded as trustworthy and secure sources of supply – constituted 60 per cent. There were practically no imports from Africa, the EU, Central Asia, or others. By 2001, the share of China's oil imports from the Middle East had increased to 56 per cent; the share from Asia and Oceania, meanwhile, had reduced to 14 per cent. Of note is that Africa now supplies 23 per cent of imports. China has thus suddenly become dependent on a number of more distant countries with low political stability. China's security in its supply of energy raw materials has thus worsened remarkably.²²

China Tendency Number 1: Owning Oil and Gas when Loaded

In order to compensate somewhat for the instability factor, India's openly admitted, but not outspoken, policy is to try to "own the oil when loaded" just as is the case with Indian oil companies.

China Tendency Number 2: Avoiding Transportation Risks

The security of the SLOCs is being discussed seriously in China. Industry circles in Shanghai have suggested that tanker ships should be built in sufficient quantities to be able to carry 50 per cent of China's import of oil. Convoys shall be arranged and military vessels should protect them. This idea has been criticized by economists in Shanghai and elsewhere in China. It remains to be seen if anything will come out of these discussions.²³

Under the influence of such fears, the development of a Chinese tanker fleet capable of carrying half of China's oil import needs can easily be construed as being likely to lead to a decision on the military level to give the PLA Navy the necessary resources to protect the sea lanes. A mandate of that kind could entail a risk of unfriendly competition with the U.S., Indian, and other naval units with the same ambition to protect the free passage for their own ships. The risks are under review and means are being sought to contain them. China is also trying to reduce the risks

²² Ingolf Kiesow, *China's quest for energy: Impact on foreign and security policy*, FOIR–1371–SE (Stockholm: Swedish Defence Research Agency, 2004), p. 13.

²³ Philip Andrews-Speed, Xuanli Liao and Roland Dannreuther, *The Strategic Implications of China's Energy Needs*, Adelphi Paper 346 (London: The International Institute for Strategic Studies, 2002), p. 78.

for transportation of oil at sea. China is building a harbor in Gwadar on the Pakistani coast and is discussing a Pakistani plan for a possible pipeline from Gwadar to China.

China Tendency number 3: Playing the Developing Country Status Card

As more and more articles appear in the press about the approaching peak in oil production, increasing political instability in most oil producing nations and the need to cut down on emissions, especially in China, the leaders may feel “contained” by other nations, who only think of continuing their present life-style without being willing to accommodate China’s (and India’s) wish for a life with the same qualities as those now being enjoyed in the West.

Territorial Disputes about Energy

China has territorial disputes with Japan over areas rich in oil and gas in the East China Sea. There are also incompatible claims on islands in the Pacific (Senkaku in Japanese, Diaoyutai in Chinese), as well as about some other minor islands and reefs.²⁴ A pattern of controversy has repeated itself in the South China Sea, where the often bloody skirmishes with Vietnam over the Spratly Islands have caught the attention of news media.

India

The fast population growth, the high density of its population, and the agricultural character of its economy has put strains on India’s available natural resources and has also limited the domestic supply of raw energy materials. Increasingly problematic air pollution and serious shortages of electricity necessitate a greater import of cleaner forms of raw energy materials, mainly natural gas.

Coal is by far the most important primary fuel, constituting an estimated 55 per cent of the energy supply in 2006, according to the calculations of the Indian Energy and Resources Institute (TERI).²⁵ Crude oil is

²⁴ Ingolf Kiesow, *Ambitions and perils in the Western Pacific*, FOI-R-0266—SE (Stockholm: Swedish Defense Research Agency, 2001).

²⁵ *Ibid.*, p. 4.

the second most important contributor to energy supply, accounting for 32 per cent of the total. Natural gas will be in short supply and will not increase its 2006 share of about 15 per cent of the total.

Consumption of petroleum products is growing faster than can be met by domestic production. The import of oil increased by 6.3 times during 1970–2002, while domestic production only increased by 4.5 times, making import dependency as high as 73.3 per cent in 2002. India's oil industry is still almost entirely state-owned and comes under the Ministry of Petroleum and Natural Gas. Under pressure to increase the import of oil, the state-owned Oil and Natural Gas Corporation (ONGC) has acquired exploration blocks in Myanmar, Sudan, Iraq, Russia, Vietnam, Venezuela, and Libya. It has also begun a deep-water drilling program in the Bay of Bengal. The private sector company Reliance Industries Ltd. is pursuing a plan for equity and acquisition of oil fields in Yemen, Oman, East Timor, Kurdistan (Iraq), Colombia, and Australia.²⁶

The Indian Junior Minister for petroleum and natural gas, Dinsha Patel, announced on February 29, 2008, that in the last three years, government-controlled companies have acquired participating interests in 35 oil and gas projects in 20 countries. Especially interesting is his comment that "while in normal circumstances, oil/gas could be sold on commercial consideration, in times of national requirement, the same can be brought to India irrespective of commercial considerations."²⁷

The Indian state-owned oil companies carry out a security policy for the nation and this is not going to be changed. In other words, India is not going to accept the principles of the Energy Charter in the foreseeable future.

U.S. Grand Strategy Pits India against China

The United States wants to stop India from getting too close to the Shanghai Cooperation Organization. Since the beginning of this millennium, the

²⁶ Reliance Industries Ltd., homepage, http://www.ril.com/business/petroleum/ep/business_petroleum_ephome.html (accessed September 20, 2005).

²⁷ "Indian firms buy 35 oil, gas assets abroad," *United Press International*, February 28, 2008, available at: http://www.upi.com/International_Security/energy/Briefing/2008/02/28/indian_firms (accessed March 6, 2008).

U.S. has been offering India closer collaboration in many fields. It has offered an agreement over military cooperation, which India has accepted, as well as technology for civilian nuclear power, which has also been accepted, albeit with strong opposition from communist and Hindu nationalist circles in India.²⁸

The United States is now offering India – but not Pakistan – nuclear civilian technology and a solution to its problems with the Nuclear Suppliers Group (NSG). This policy is likely to cause problems with Pakistan. If the U.S. is trying to make India an ally, it is likely that Pakistan will become even closer to China and this could grow into the emergence in Asia of two competing power blocs. In the field of energy this will impact on the security of the SLOCs in the Indian Ocean. China is building a harbor in Gwadar on the Pakistani coast, discussing a Pakistani plan for a possible oil pipeline from Gwadar to China, and is participating in common military exercises with Pakistan in the Indian Ocean. In addition, Pakistan and China are going to cooperate over the development of the next generation of jet-fighters to be built in China.

Therefore, at the same time as India has been negotiating over cooperation in the field of energy with China, both bilaterally and in the SCO and other fora, the Pakistani-China factor, together with the Indo-American rapprochement, constitutes the beginning of a complicated power game in Asia. And it all circles around energy in the form of oil, gas, and nuclear technology.

Japan

Japan has almost no domestic oil production, and in 1980 it imported all its oil needs or 5.0 Mb/d. In 2003 this figure had not risen to more than 5.4 Mb/d, partly due to slower economic growth, but also and possibly more importantly, through a methodical and successful campaign for energy conservation.

Toward the end of the twentieth century, Japan's energy demand almost stopped growing, mainly due to a slowdown in economic activity,

²⁸ "BJP asks govt to reject US-nuke deal," *Kashmir Times*, December 12, 2006, <http://www.kashmirtimes.com/front.htm> (accessed December 12, 2006).

and has since then been hovering around the same level. It is projected to grow slowly or even to decrease until 2030, since the population is decreasing, economic growth is not predicted to pick up, and fuel efficiency in vehicles is expected to continue.²⁹

Notwithstanding the above, Japan is still the third largest consumer of oil in the world (after China) and will remain so for a long time to come. Japan competes with all countries in Asia over raw energy materials. The competition with China over oil and gas fields within the reach of sea transport distance is intense. The SLOCs is a common matter of concern as well as a possible bone of contention, depending on the relations between the two countries.

Since May 2006, Japan introduced its “New Energy Policy.” The New Strategy states that the policy should focus on a strengthening of governmental support in supplying risk money for overseas exploration and development activities by Japanese oil companies, and to expand measures to streamline and upgrade multi- and complex refineries and to advance Research and Development of innovative technologies to make use of non-conventional oil.³⁰ In other words, the government is subsidising oil and gas companies in its efforts to purchase oil and gas fields abroad and to increase its refining capacity at home. Even if Japanese companies are private, they receive government support (in order to be able to compete with Chinese and Indian companies).

Energy and Japan's territorial borders

Gas fields on the bottom of the sea between Japan and China have been in dispute for many years. The fields are situated in the East China Sea near the so-called median line, a concept defined in Article 15 of the 1982

²⁹ These findings are supported by Japan's Agency for Natural Resources and Energy, see <http://www.enecho.meti.go.jp/english/index/htm>; the International Energy Agency, “Energy Policies of the IEA Countries; Japan 2003 Review,” available at: <http://www.iea.org/Textbase/country/index/asp>; and the Institute of Energy and Economy, Japan and the Institute of Energy and Economy, Japan; see also Tsutomu Toichi, “Oil Market of Today and Tomorrow,” speech held in Kuala Lumpur, 2006, available at: <http://www.eneken.iej.or.jp/en/data/pdf/345.pdf> (accessed October 2, 2008).

³⁰ Ibid.

United Nations Convention on the Law of the Sea (UNCLOS).³¹ Energy issues are but one element in the complicated Sino-Japanese relations, which have a long history of war and competition for influence in the region. The seriousness of the energy problem was demonstrated when a Chinese submarine cruised, submerged, and intruded upon the waters of Japan in 2005. It caused the Japanese Self-Defense Forces to go on alert for only the second time since the Second World War. The incident caused consternation in Beijing, and Japan was given an official apology: it had been “a mistake.”³²

Energy as a CBM between China and Japan

The visits by Prime Minister Shinzo Abe to Beijing in 2006 and by Prime Minister Wen Jiabao to Tokyo in 2007 can be seen as serious efforts by the leaders to stop an otherwise ongoing escalation of dangerous actions and reactions between the two countries. An act of traditionally great symbolic value was made during Wen’s visit to Tokyo – the two prime ministers decided to set up a 24-hour hotline between their armed forces to prevent incidents in the waters between them.³³

The Korean Peninsula and the Six-Party Talks

For North Korea, energy supply is a burning issue. Already in 1975 North Korea had become increasingly dependent upon thermo-electric power and when oil deliveries dried up, the transportation system suffered. During the 1994 so-called NPT withdrawal crisis, when North Korea actually withdrew from the Non-Proliferation Treaty, the situation went so far as to cause U.S. President Bill Clinton to seriously discuss plans for a military attack on North Korea’s nuclear facilities. These discussions in the White House were, however, suddenly interrupted. The event that interrupted

³¹ For the text, see *United Nations Convention on the Law of the Sea*, available at: <http://www.un.org/Depts/los/conventionagreements/texts/unclos/part2.htm>

³² “Chinese submarine enters Japanese waters,” available at: http://www.en.wikinews.org/wiki/Chinese_submarine_enters_Japanese_waters.

³³ “Japan, China to set up military hotline,” *Reuters*, April 21, 2007, available at: <http://www.edition.cnn.com/2007/WORLD/asiapcf/04/16/japan.china.hotline.reut/index.html>

the discussions was a call from ex-President Jimmy Carter, who had been able to obtain an invitation from Kim Il Sung to visit Pyongyang and who had also been permitted to go by Vice President Al Gore.

Carter reported from Pyongyang that he had been offered by Kim Il Sung that North Korea would remain in the NPT, and that the North would freeze its nuclear weapons program in exchange for a package of benefits that was in many ways similar to what had already been offered in separate contexts.³⁴

On October 16, 1994 an "Agreed Framework" between the United States and North Korea was initialed in Geneva by the two delegations, headed by the same negotiators who had been responsible for negotiations during the entire crisis, namely Robert Galucci on the U.S. side and Kang Sok Yu on the North Korean side.³⁵

North Korea did not allow full inspections, referring to non-fulfillment by the U.S. side. The fuel rods have been canned, but they have not been shipped out of North Korea, since no light water reactor has been delivered. Also for the same reason, North Korea's nuclear facilities were not dismantled until the so-called Six-Party Talks in Beijing had resulted in a new basic agreement in 2007.

It is clear that one of the potentially most dangerous issues in the world, namely North Korea's nuclear ambitions, not only has its roots in North Korea's need for energy and difficulties in getting access to energy at affordable costs, but also that the solution has to be found to that problem if North Korea is to abstain from completing its domestic nuclear program, which, given its history, will always cause suspicions abroad of the manufacture of nuclear weapons as a by-product.

Of course a great deal of effort has been dedicated to this issue. The Six-Party Talks in Beijing resulted in a deal in February 2007. North Korea has fulfilled most of its promises, but, as this is being written, it still has

³⁴ J. Michael Mazarr, *North Korea and the Bomb: A Case Study in Nonproliferation* (London: Macmillan, 1997), p. 163.

³⁵ *Ibid.*, p. 173.

not given any clarification about its supposed uranium enrichment program, and there is a standstill in the entire Six-Party process.³⁶

The Regional vs. the Global Context

Incompatible Perceptions

China and India, with close to 40 per cent the world's population, are already being confronted with the following problems:

- Is owning oil and gas when loaded a wise policy?
- Does it make sense to spend enormous sums to avoid transportation risks?
- Is it realistic to try to establish partnerships with producers with an exclusive character – and how to react when energy supply becomes involved in strategic game playing?
- Should developing countries be given special favors in the race for raw energy materials?

Owning oil and gas when loaded is a principle that does not constitute a breach of any explicit WTO rule, but could perhaps be said to be against the spirit of the GATT charter, although that interpretation is far-fetched.

With regards to the Energy Charter Treaty, on the other hand, it is quite clear that its spirit is against any measure that restricts the free flow and access for all buyers. Chinese and Indian practices, on the one hand, and European, U.S., and Japanese views, on the other, are not compatible.

China, for its part, is a powerful nation, and for many Chinese it may seem natural enough to use all its means of power that are available to secure its supply of raw energy materials. However, on the world market, China is facing growing competition from India, which is also likely to use all its available means of power and which has energy needs that are almost as desperate as those of North Korea. In addition to that, China is

³⁶ "N Korea abductions hamper Japan," *BBC News*, March 4, 2008, available at: <http://www.newsvote.bbc.uk/mpapps/pagetools/print/news.bbc.co.uk/2/hi/asia-pacific/7252> (accessed March 4, 2008).

already encountering severe competition from the United States, with its rapidly growing demand for imported oil and gas. And the U.S. is a powerful country, which has until now applied the principles of the European Charter Treaty, but is not likely to continue doing so for ever, especially if other powerful actors on the world market like the European Union and Japan should feel free or tempted to discard these principles.

So far, the situation is more or less under control in North East Asia, which is a region where China and Japan have been able to avoid adverse effects of unrestricted competition and instead have been able to establish Confidence Building Measures in the field of energy. Russia has rarely used oil and gas as a political weapon in this region, thus far. Another member in the Six-Party Talks is the United States, one of most important factors for stability in the region, but also a nation which desperately needs more oil and gas. North Korea meanwhile shares the distinction of being the root cause of the problems which have made the Six-Party Talks necessary. South Korea and Japan have potentially a great interest in supply of energy from Russia via North Korea.

The rest of the world would find itself in a problematic situation if some of the most important actors in the world market were to abandon the free market principles in trade over oil and gas. There is a danger that this will happen in Asia, unless some principles are agreed upon explicitly and codified in statements.

If no principles for trade in oil and gas and electricity are agreed upon in Asia, market conditions will be characterized by competition between states and/or NOCs. China and India are powerful and potentially rich and their NOCs are likely to be successful, since they are backed by their governments. They will not only be successful in their own region but on the global markets. This will inevitably lead to less resources in the hands of the IOCs on which the western countries, including Europe, depend for their supply of oil and gas.

In this situation, it seems difficult to imagine any other long term development other than that NOCs will take over the roles of IOCs also in Western countries, and that the global markets will be dominated by NOCs supported by governments. This will also mean that governments become directly involved in a race for oil and gas, resulting in the risk of

international conflicts becoming more frequent than what we have become accustomed to.

Climate Change, Energy Security and China's Development Dilemma

Paul J. Smith*

Climate change is emerging as one of the key developmental and security challenges of the twenty-first century, the long-term effects of which have been compared to nuclear war.¹ Moreover, it is a trend that is unfolding alongside one of the most important geopolitical transitions of this era – the economic and military rise of the People's Republic of China.

Not surprisingly, China's economic rise is expected to result in increased energy consumption, much of it fossil-fuel based, which will in turn have far-reaching implications for the progression of climate change. In fact, various assessments suggest that, if current economic trends continue, China may become the world's largest single emitter of greenhouse gases in the years and decades to come.²

Although Chinese leaders are increasingly aware of the climate change effects of their country's economic growth, they, like many developing countries, resist global pressure to reduce greenhouse gas emissions. Under the principle of "common but differentiated responsibilities," in which developing countries have claimed reduced responsibility for greenhouse gas emission-abatement, China claims that economic development must take priority over mitigation or reduction of greenhouse gas emissions.

* Paul J. Smith is Associate Professor, U.S. Naval War College, NSDM Department. All views and opinions within this essay are exclusively those of the author, and do not necessarily reflect the positions or policies of the Naval War College or the U.S. Department of Defense.

¹ "Strategic Policy Issues," *Strategic Survey 2007* (London: International Institute for Strategic Studies, 2007), p. 49.

² Steven Mufson, "Power-Sector Emissions of China to Top U.S.," *Washington Post*, August 27, 2008, p. D01.

China's position is rooted not only in a sense of developmental equity and fairness, but also reflects fundamental domestic political pressures within China itself. The Chinese Communist Party (CCP) believes that the key to maintaining its position and ability to rule lies in providing the Chinese people with robust economic growth and an increasing standard of living, a goal that will require a dramatic increase in fossil fuel consumption. Unfortunately, such a goal clashes with a growing global consensus on climate change (including the creation of a nascent international legal enforcement regime). This is the essential dilemma faced not only by China, but also the world community.

China's Economic Rise and the Growing Energy Demand

The economic rise of China is perhaps one of the most significant events of the early twenty-first century. The transformation of China from a largely poor, undeveloped country in the 1970s to an increasingly wealthy economic behemoth with global reach reflects a series of prescient and pragmatic policies, adopted and implemented by the country's primary governing entity, the CCP.

However, this same transformation of China's economy is generating huge increases in energy resource demand, the consequences of which are increasingly being felt in energy markets around the world. Indeed, the CCP's single focus on rapid and comprehensive economic development requires an abundant and reliable source of energy. In its most recent white paper on energy conditions and policies, the CCP clearly states that "energy has a significant bearing on China's economic and social development."³ Although China has substantial domestic supplies – particularly of coal – the country has found itself increasingly required to look abroad for additional sources, particularly in the area of crude oil.

Driving this burgeoning energy demand in recent years is China's transition from a light manufacturing economy to one that features more energy-intensive industries, including iron, steel, cement, chemicals and aluminum. China accounts for about 35 percent of world steel production

³ "Full text of China's white paper on energy conditions, policies" [Text of report in English by official Chinese news agency], *BBC Monitoring Asia-Pacific-Political*, December 26, 2007.

and about 50 percent of the world's production of cement.⁴ These industries are "laying a foundation for what we might call a consumption-led Chinese energy challenge down the road."⁵ In other words, the future energy challenge will derive from Chinese consumers' purchases of automobiles and air conditioners, among other products.⁶

Based on current projections, therefore, fossil fuels are expected to remain a key part of China's energy mix. From a global energy perspective, oil demand is expected to grow by 1.3 percent a year, from 83.7 million barrels per day in 2005 to 98.5 million barrels per day in 2015, and 116.3 million barrels per day in 2030.⁷ About 42 percent of this increased demand will come from India and China, while "China accounts for the biggest increase in oil demand in absolute terms of any country or region."⁸

In the future, China's transportation sector and its expansion are expected to dramatically increase the country's demand for oil. By the year 2030, automobile ownership is predicted to increase from 27 million cars in 2004 to 400 million by 2030.⁹ Consequently, oil consumption in China is expected to rise from about 7.58 million barrels of oil per day currently to 10–12 million barrels per day by the year 2015, the majority of which is expected to be imported.¹⁰ Currently, China imports 53 percent of the oil that is consumed.¹¹

⁴ Transcript of remarks by Mr. Trevor Houser, Director, Energy and Climate Practice, Rhodium Group, Session One of a Council on Foreign Relations Symposium on China and Climate Change and Findings of CFR's Independent Task Force on Climate Change, Subject: Chinese Energy and Climate Strategy, *Federal News Service*, June 24, 2008, http://www.cfr.org/publication/16630/symposium_on_china_and_climate_change_session_one.html.

⁵ *Ibid.*

⁶ *Ibid.*

⁷ *World Energy Outlook 2007: China and India Insights* (Paris: International Energy Agency, 2007), p. 79.

⁸ *Ibid.*

⁹ *Military Power of the People's Republic of China 2008—Annual Report to Congress* (Washington, DC: Office of the Secretary of Defense, 2008), p. 10.

¹⁰ *Ibid.*

¹¹ *Ibid.*

Similar to oil, the demand for coal is also projected to rise from 4,154 million tones of coal (Mtce) equivalent (in 2005) to 7,173 Mtce in 2030, with demand from China and India accounting for three-quarters of the projected increase to 2030. Coal is the basis of China's power generation infrastructure; eighty percent of electricity generated in China can be linked to coal, which is also tied to approximately 80 percent of all of China's CO₂ emissions.¹² Most experts believe that for the foreseeable future – at least 30 years – this fundamental reliance on coal will remain, if not increase dramatically.¹³ By 2030, coal will constitute 63 percent of China's energy demand mix.¹⁴

Geopolitical Implications of China's Fossil Fuel Future

Any uncertainty about the future of China's reliance on fossil fuel sources should be dispelled by an examination of China's current plans for global acquisition of energy resources. China's desire for energy security (and increased reliance on imported oil) is having a number of geopolitical effects. The International Energy Agency (IEA) recently noted that "oil security has emerged as a central policy issue in China and it is increasingly affecting domestic, economic and foreign policy."¹⁵

China's "energy diplomacy" is leading Beijing to enhance relationships with energy-rich countries around the world.¹⁶ In Central Asia, for instance, China is seeking to establish a regional free-trade zone, partially as a way of tapping into the region's vast reserve of energy resources. Oil and natural gas pipelines leading from Kazakhstan, Turkmenistan or other Central Asian states to western China are also part of China's future

¹² Transcript of remarks by Professor Edward Steinfeld, Associate Professor of Political Science, Massachusetts Institute of Technology, Session Two of a Council on Foreign Relations Symposium on China and Climate Change, *Federal News Service*, June 24, 2008.

¹³ *Ibid.*

¹⁴ *World Energy Outlook 2007: China and India Insights* (Paris: International Energy Agency, 2007), p. 88.

¹⁵ *Ibid.*, p. 326.

¹⁶ Gabriel B. Collins, et al., "Introduction," in Gabriel B. Collins, et al., eds., *China's Energy Strategy: The Impact on Beijing's Maritime Policies* (Annapolis, MD: Naval Institute Press, 2008), p. xiii.

energy strategy, particularly as Beijing considers Central Asia as its “natural sphere of influence.”¹⁷ One particular oil pipeline linking Kazakhstan to China is expected to ship one million barrels per day of crude oil into western China once completed.¹⁸

In Africa, Chinese companies are combing the continent in search of new sources of oil and other energy resources, including uranium. Governments offering oil or other resources, which are also in need of cash, arms or other assistance, are finding Beijing to be a willing and eager partner. Angola, now China’s third largest source of oil, is the recipient of Chinese aid which has been used to build large-scale infrastructure projects. In Nigeria, China recently agreed to lend the Nigerian government US\$2.5 billion for infrastructure projects in an attempt to “win access to energy reserves and an oil industry dominated by Western groups such as Royal Dutch Shell and ExxonMobil.”¹⁹

However, it is the Middle East that has emerged as China’s largest supplier. Saudi Arabia is the region’s largest supplier to China, while Iran maintains the third-place spot (on a global basis). Iran’s role in China’s energy mix may become more significant in the years ahead, particularly as Tehran has just announced that it intends to shift its oil sales in favor of China and India, while decreasing sales to other countries.²⁰ Overall, the Middle East supplies over 47 percent of the crude oil going to China, a trend that will increasingly have secondary political effects.²¹

Military and force planning, moreover, is being conducted in China with energy security in mind. This should come as no surprise since ener-

¹⁷ Vitaly Kozyrev, “China’s Continental Energy Strategy: Russia and Central Asia,” in Collins, et al., eds., *China’s Energy Strategy*, p. 209.

¹⁸ “SCO Summit Confirms Military Function and Strategic Objective of Removing U.S., E.U. Influence from Central Asia,” *Defense and Foreign Affairs Special Analysis*, August 23, 2007.

¹⁹ “China lends 2.5 billion to Nigeria in bid for energy access-report,” *Xinhua Financial Network News*, April 22, 2008.

²⁰ “Iran shifts oil exports to China and India” [Text of article by Iranian newspaper Abrar, August 18 2008], *BBC Monitoring International Reports*, August 24, 2008.

²¹ R.D. Fisher, “China’s alliance with Iran: building for long-term influence,” *Jane’s Intelligence Review*, June 1, 2006; John Hill, “Sino-Arabian relations flourish with the oil trade,” *Jane’s Intelligence Review*, July 1, 2006.

gy security has traditionally played a central role in geopolitics and national strategic planning. The 1973 oil embargo by the Organization of Petroleum Exporting Countries (OPEC) provided a stark example of how states can use energy as a weapon. Consequently, major powers may aspire to be in a position to project power (unilaterally or via alliance structures) in and around energy-source regions (such as the Middle East) in order to safeguard their geostrategic interests.²² This tendency is based on a common although debatable assumption in international affairs that "energy security can be achieved solely by military means."²³

For Chinese military planners, a key military vulnerability is the country's inability to secure or protect key energy sources and its sea-lanes of communication (SLOCs). A U.S. Department of Defense report recently stated that China is "neither capable of using military power to secure its foreign energy investments nor of defending critical sea-lanes against disruption."²⁴ Excessive reliance on the Malacca Strait, for instance, is a particular worry for Beijing.²⁵ China is particularly concerned about a potential blockade of its oil imports conducted within the context of an international conflagration over Taiwan or other issues.

As a result, the CCP is building up a naval capacity which could ultimately be used to protect fuel shipments in the future (in the South China Sea and Indian Ocean), as well as encouraging diversification away from this critical transportation link by sponsoring the development of China-bound pipelines in Myanmar (Burma), Central Asia and Pakistan.²⁶ China's reorganization of army units in Xinjiang has also been driven by a motivation to "safeguard relevant oil fields in Central Asia."²⁷

²² Testimony of Charles Wald, Retired Air Force General and former Deputy Commander of U.S. European Command, Hearing of the Senate Energy and Natural Resources Committee, *Federal News Service*, January 10, 2007.

²³ *Ibid.*

²⁴ *Military Power of the People's Republic of China 2008*, p. 13.

²⁵ Ian Storey, "China seeks to reduce its dependence on Strait of Malacca," *Jane's Intelligence Review*, May 1, 2005.

²⁶ "Navy, China," *Jane's Sentinel Security Assessment—China and Northeast Asia*, February 7, 2008.

²⁷ Kozyrev, "China's Continental Energy Strategy," p. 203.

Overall, China's geopolitical pursuits in key energy-rich areas of the world combined with the country's military force planning posture suggest a long-term effort on the part of Beijing to secure and acquire energy resources, which are mostly fossil-fuel based. This structural consolidation of political and economic relationships (combined with investments in key military capabilities) will have huge effects on future global energy extraction and consumption patterns, which in turn will influence future climate change trends.

Clashing Trends: China's Economic Rise and the Emerging Climate Change Consensus

China's economic rise, admirable as it may be, suffers from the burden of unfortunate timing. In other words, the country's economic ascendancy is clashing with a growing international awareness of and consensus about greenhouse gases (associated with fossil fuel sources) and climate change. The Intergovernmental Panel on Climate Change (IPCC) has stated that "warming of the climate system is unequivocal."²⁸ This in turn has spawned a renewed global effort to mitigate climate change by urging countries to be bound by agreed upon limits (or reductions) of greenhouse gases.

Rising global awareness about climate change and international efforts to mitigate the phenomenon have led to much consternation in Beijing. While acknowledging the reality of climate change, the Chinese government has often invoked an inter-civilizational equity argument when confronted with accusations about its contributions to climate change. At a news conference held at the National People's Congress in March 2008, for example, Chinese Foreign Minister Yang Jiechi told reporters that "climate change is mainly attributable to long-term emissions by developed countries in the past and their current high per capita levels of emissions."²⁹ Such sentiments echo those of Gao Huiqing of China's State Information

²⁸ *Climate Change 2007: The Physical Science Basis: Summary for Policymakers* (Geneva: IPCC Secretariat).

²⁹ Anita Chang, "China says developed countries should take lead in fighting climate change," *Associated Press*, March 12, 2008, <http://www.iht.com/articles/ap/2008/03/12/news/China-Climate-Change.php>.

Center, who recently stated: "It can not be denied that developed countries generated more emissions than emerging economies, no matter whether it was in the past or at present."³⁰

The Chinese narrative can be summed in the following terms: developed countries have built up their economies and polluted (to include emitting greenhouse gases) for roughly 200 years and now that their efforts and success have harmed the global environment, they are turning their gaze accusingly toward comparatively poorer developing countries and demanding that they curtail their own economic progress. In other words, the issue can be framed in terms of equity. China believes that developed countries should "take more responsibility to cut emissions since they still consume more energy than developing countries."³¹

For China and other developing countries, the most galling notion is the fact that despite developed countries only comprising about 20 percent of the world's population, "they are responsible for ninety percent of the global carbon emissions that have been released since the beginning of the industrial revolution, and currently emit two-thirds of total global emissions."³² As a result, Chinese economists argue that it is both "unreasonable" and "unfair" to demand that developing countries – such as China – accept equal responsibility regarding emissions-reduction targets.³³

Chinese economists have used other interesting arguments to deflect international criticism regarding the country's environmental protection policies. One economist argued that the introduction of green technologies might overwhelm Chinese companies, thus leading to unemployment: "More substantial damage could be done to the environment as some

³⁰ "Chinese economists say equal emissions cuts 'unreasonable'" [Text of report in English by official Chinese news agency Xinhua], *BBC Monitoring International Reports*, July 10, 2008.

³¹ *Ibid.*

³² Deborah E. Cooper, "The Kyoto Protocol and China: Global Warming's Sleeping Giant," *Georgetown International Environmental Law Review*, Vol. 11 (Winter 1999), p. 405.

³³ "Chinese economists say equal emissions cuts 'unreasonable'."

people, forced out of employment in a bad economy, might choose to chop down trees for fuel in extreme cases.”³⁴

Simultaneously, however, leaders of developed countries argue that no global effort can succeed without the participation of developing countries such as China. Canadian Prime Minister Stephen Harper (at the summer 2008 G-8 meeting) stated that “we cannot control greenhouse gases in the developed world alone.”³⁵ Similarly, at the same meeting, President George W. Bush emphasized a similar point when he noted: “I also am realistic enough to tell you that if China and India don’t share that same aspiration [regarding mitigating the causes of climate change], then we’re not going to solve the problem.”³⁶

Nevertheless, China’s defensive posture can often be seen in international meetings and forums that address climate change. China asserts that it believes in the principle of “common but differentiated responsibilities” as established by the United Nations Framework Convention on Climate Change (FCCC) and its Kyoto Protocol. The “common but differentiated responsibilities” standard has evolved into an international legal norm that allows “different responsibilities among different groups of parties.”³⁷ Essentially, under the Kyoto Protocol to the FCCC, developed countries (Annex I parties) must – as a group – reduce greenhouse gas emissions by five percent or more below 1990 levels during the 2008–2012 timeframe. The non-Annex I countries (i.e. developing countries) do not have this obligation.³⁸

Within the spirit of the “common but differentiated responsibilities” principle, China prefers that developed countries should 1) take the lead in reducing carbon emissions; and 2) provide technology and financial assistance to developing countries that are attempting to achieve the same or

³⁴ Quoting Zhang Yansheng of the National Development and Reform Commission in *ibid.*

³⁵ Andrew Mayeda, “PM says climate change fight futile without developing nations,” *Canwest News Service*, July 9, 2008.

³⁶ Eric Talmadge, “Climate change strategy isolates US at summit of industrialized nations,” *Associated Press Worldstream*, July 8, 2008.

³⁷ Christopher D. Stone, “Common but Differentiated Responsibilities in International Law,” *American Journal of International Law*, Vol. 98 (April 2004), p. 279.

³⁸ *Ibid.*

similar goals.³⁹ China's adherence to this standard reflects, as many politicians and legal analysts have noted, a basic structural flaw within the Kyoto Protocol regime to the extent that developing countries are essentially excluded from universal abatement obligations. This is particularly troubling because, as one legal analyst has noted: "[D]eveloping countries will be responsible for half the world's emissions by 2020 or earlier."⁴⁰

The CCP's Dilemma: Develop or Perish

Chinese leaders are not unaware of some of the strategic implications of climate change. They read, discuss and debate international assessments, including those provided by the IPCC, which describe an array of threats that are linked to climate change. The most recent white paper on climate change candidly admits that "climate change will...produce far-reaching impacts on [Chinese] society, economy and other fields, and cause huge losses to the national economy."⁴¹ Already, China has experienced a number of effects believed to be linked to climate change, including heat-waves, droughts and coastal erosion due to sea-level rise. In addition, floods have also become more common, particularly in the country's northeastern and eastern regions. Overall, China has experienced a seven-fold increase in the frequency of floods since the 1950s.⁴²

Cyclones (typhoons) have also become a major challenge for China (as well as other parts of Asia). The number of cyclones has increased since the 1950s; major storm surges have also increased since the 1950s. Of the 21 extreme storm surges since 1950, 14 occurred during the period

³⁹ "China's Hu Jintao addresses politburo 'collective study' on climate change" [Text of report by official Chinese news agency Xinhua], *BBC Monitoring Asia Pacific-Political*, June 29, 2008.

⁴⁰ Will Gerber, "Defining 'Developing Country' in the Second Commitment Period of the Kyoto Protocol," *Boston College International and Comparative Law Review*, Vol. 31 (Spring 2008), p. 333.

⁴¹ "'Full Text' of China's policies, actions for addressing climate change" [Text of report in English by official Chinese news agency Xinhua (New China News Agency)], *BBC Monitoring Asia Pacific-Political*, October 30, 2008.

⁴² R.V. Curz, et al., "Asia," in *Climate Change 2007: Impacts, Adaptation and Vulnerability. Contribution of Working Group II to the Fourth Assessment Report on the Intergovernmental Panel on Climate Change* (Cambridge: Cambridge University Press, 2007), pp. 469–506.

1986–2004.⁴³ Water security in China is also threatened by climate change. Already, water shortages are evident in roughly two-thirds of China's cities and the crisis will be exacerbated by both climate change and other factors, including "shifts in precipitation patterns and increased water pollution."⁴⁴

In addition, other assessments point to negative effects on food security caused by climate change. In testimony to the U.S. Congress in June 2008, Dr. Thomas Fingar, Deputy Director of National Intelligence and Chairman of the National Intelligence Council, noted that South, Southeast and East Asia "will face risks of reduced agricultural productivity as large parts of the region face increased risk of floods and droughts."⁴⁵ Food security has traditionally been a key concern for Beijing; any factor that reduces food security may generate instability within China.⁴⁶

However, in many respects, because of the protracted nature that climate change manifests, and its varied effects, Beijing calculates that such a threat constitutes the "wolf at the far door" – in other words, a long-term challenge that can be planned for and managed. As noted earlier, China couches its opposition to binding emission agreements on the basis of equity and fairness: "China sees its development as necessary to provide basic amenities to its people; attention to environmental issues is a luxury that developing countries cannot afford."⁴⁷

But there is an even larger internal concern for China: the viability of the CCP regime itself. The CCP views economic development as a regime survival and social stability issue, and not solely as an economic issue. Recognizing its unpopularity among many segments of the Chinese popula-

⁴³Ibid.

⁴⁴ Statement of Alexander T.J. Lennon, Committee on House Science and Technology, Subcommittee on Investigations and Oversight, *CQ Congressional Testimony*, September 27, 2007.

⁴⁵ Statement of Dr. Thomas Fingar, Deputy Director of National Intelligence for Analysis, Chairman, National Intelligence Council, Committee on House Select Energy Independence and Global Warming Committee on House Select Intelligence, *CQ Congressional Testimony*, June 25, 2008.

⁴⁶ Paul J. Smith, *Food Security and Political Stability in the Asia-Pacific Region* (Honolulu, HI: Asia-Pacific Center for Security Studies, 1999).

⁴⁷ Cooper, "The Kyoto Protocol and China," p. 407.

tion, the CCP believes that only by delivering wealth and promoting nationalism can the party maintain and perpetuate its own survival.

In many respects, economic growth and rising living standards are regarded by the CCP as a form of compensation for the country's lack of political liberalization and absence of an independent legal system.⁴⁸ Consequently, the "grand bargain" between state and citizenry can only hold as long as the CCP delivers economic goods and prosperity to its people. Among Chinese officials and scholars, it is generally accepted that economic growth must reach at least the 8 percent per annum level "to create sufficient jobs for the country's labor force and maintain social stability."⁴⁹

Thus, Beijing's economic goals not only entail climate change consequences, but are embedded within the larger context of regime concerns about social and political stability. In recent policy documents, the CCP has confirmed its single-minded focus on economic development. For example, in its 17th party constitution, the party articulates the fact that it must, *inter alia*, "encourage some areas and some people to become rich first, gradually eliminate poverty, achieve common prosperity, continuously meet the people's ever-growing material and cultural needs on the basis of the growth of production and social wealth and promote the people's all-round development."⁵⁰ The next sentence states unequivocally that "development is the party's top priority in governing and rejuvenating the country."⁵¹

In another section, the same document states that "in leading the cause of socialism, the Chinese Communist Party must persist in taking economic development as the central task, making all other work subordinate to and serve this central task. The Party must lose no time in speeding up development [...]."⁵² Moreover, economic development is seen as a

⁴⁸ Avery Goldstein, "Power Transitions, Institutions, and China's Rise in East Asia," *Journal of Strategic Studies*, Vol. 30, No. 4-5 (August-October 2007), p. 643.

⁴⁹ "China targets early recovery with stimulus, consumer spending," *BBC Monitoring Asia Pacific-Political*, February 3, 2009.

⁵⁰ "'Text' of Chinese Communist Party Constitution Adopted at 17th Party Congress" [Text of report in English by official Chinese news agency, Xinhua], *BBC Monitoring International Reports*, October 25, 2007.

⁵¹ *Ibid.*

⁵² *Ibid.*

way of easing some of the social stresses, fissures and contradictions that have recently emerged in China: "We should regard development as the fundamental way to resolve all kinds of contradictions and disputes, [and also a means to]...make the 'cake' bigger, and lay a solid material basis for making overall coordination between various kinds of interests and appropriately resolving various social contradictions."⁵³

Thus, the threat of reduced economic growth and social instability constitutes a near-term threat, or the "wolf at the near door." This threat has become particularly severe in the wake of the current (2008–09) global economic crisis, which has seen a dramatic spike in unemployment among China's migrant worker population.⁵⁴ Consequently, if forced to choose, Chinese leaders will most likely focus on this latter danger in hopes that climate change effects can be softened by the country's emerging economic prowess. For example, it is commonly accepted that poorer countries – countries unable to afford preventive or restorative measures – will face a much greater threat posed by climate change. By comparison, richer, wealthier countries (the ranks of which China is seeking to join) will likely enjoy a comparatively favorable outcome under most climate change scenarios.

Thus, as serious as climate change may be for China, the regime appears to have made a calculated decision to not jeopardize economic growth. This does not mean the government is ignoring the issue of climate change altogether. Quite the contrary in fact; Beijing has taken a number of measures to mitigate greenhouse gas emissions, including emphasizing conservation, diversifying the country's energy mix, raising energy efficiency, all of which the government claims has led to "noticeable results."⁵⁵

⁵³ "Beijing official on defusing 'social contradictions,' maintain stability" [Text of report by Chinese magazine *Qiushi*, website on October 1, 2007], *BBC Monitoring Asia-Pacific Political*, October 12, 2007.

⁵⁴ "China: Up to 26 million migrants now jobless," *Associated Press Financial Wire*, February 2, 2009.

⁵⁵ "President Hu Jintao outlines China's stance on climate change" [Text of report in English by official Chinese news agency *Xinhua*], *BBC Monitoring Asia-Pacific-Political*, July 9, 2008.

Government leaders also claim they have implemented specific goals, such as reducing year-end energy intensity per unit of GDP by 20 percent before the year 2010.⁵⁶ In addition to increasing efficiency, China is promoting renewable energy sources, including wind power and hydropower. Third, China plans to increase forest coverage from 18 percent to 20 percent.⁵⁷ In the area of clean and renewable energies, China added 4 gigawatts of wind power in 2007. One estimate suggests that by 2020, China may have 50 to 60 gigawatts of wind power.⁵⁸ In that same year, China may have an additional 60 gigawatts of nuclear power.⁵⁹

Moreover, recent public speeches in China seem to reveal a growing awareness that the time to address global climate change is limited: "Our task is tough, and our time is limited," President Hu Jintao stated in Beijing. "Party organizations and governments at all levels must give priority to emission reduction."⁶⁰ Such an urgent tone might explain why an international consortium comprised of major corporations and governments, known as the Climate Group, recently declared that "China is the world's leading producer of energy from renewable sources" and is on a course to overtake developed countries in developing and implementing clean technologies.⁶¹

A Possible Path to Progress

China's development dilemma raises challenges on a number of levels. First, as noted above, under current and predicted scenarios, China is expected to witness ever rising levels of greenhouse gas emissions over the

⁵⁶ Ibid.

⁵⁷ Terry Slavin, "Climate Change: Promise of a Green Industrial Revolution," *The Guardian*, July 16, 2008, p. 5.

⁵⁸ Transcript of remarks by Mr. Trevor Houser, Director, Energy and Climate Practice, Rhodium Group, Session One of a Council on Foreign Relations Symposium on China and Climate Change, Subject: Chinese Energy and Climate Strategy, *Federal News Service*, June 24, 2008.

⁵⁹ Ibid.

⁶⁰ "China's Hu Says 'time is limited' in curbing climate change," *Agence France-Presse*, June 28, 2008.

⁶¹ "China 'leads the world' in renewable energy," *Guardian Unlimited*, August 1, 2008.

next two decades, even taking into account current and likely future conservation and efficiency efforts. In fact, China is set to become the world's largest economy between 2025 and 2035 and "will most likely pass the United States in CO₂ emissions around 2010."⁶² Such a scenario will obviously have an impact both domestically and internationally.

Moreover, China's increasing greenhouse gas (GHG) emissions would also likely undermine international efforts to mitigate the climate change threat. As Deborah Cooper notes: "Despite progress in the international legal regime to reduce greenhouse gas (GHG) emissions in developed states, China's future emissions threaten to undermine whatever progress is made."⁶³ This may give other countries an excuse to avoid seriously implementing their own abatement goals.

Second, China is likely to face increasing diplomatic pressure to take more aggressive action against GHG emissions. For example, Australian President Kevin Rudd stated in August 2008 that he would raise the issue when he met with Chinese leaders during the 2008 Summer Olympics.⁶⁴ Such pressure will likely increase from other countries in the future, as well, and may present a diplomatic dilemma for Beijing, particularly as China has sought to cultivate a positive image around the world – relying on "soft power" and other inducements – all designed to counter negative perceptions regarding "China's rise."⁶⁵

China's answer to this has been to stand with other developing countries and to bargain aggressively with developed countries for particular concessions. Most recently, at the 2008 G-8 meeting in Japan, the group of emerging nations (or G-5), consisting of China, Brazil, India, Mexico and South Africa, held separate consultations with G-8 countries on emissions targets. Their contrasting positions reflected the ongoing "common but differentiated" standard that separates developed and developing coun-

⁶² Edward R. Grumbine, "China's Emergence and the Prospects for Global Sustainability," *BioScience*, Vol. 57, No. 3 (March 1, 2007).

⁶³ Cooper, "The Kyoto Protocol and China," p. 401.

⁶⁴ Natasha Bitu, "PM to prod China on trade, climate," *The Australian*, August 1, 2008, p. 4.

⁶⁵ A good description of this strategy, particularly as it applies to the Southeast Asia context, is Thomas Lum, et al., "China's 'Soft Power' in Southeast Asia," *Congressional Research Service*, January 1, 2008 [Lexis-Nexis ed.].

tries. For example, G-5 countries requested that industrialized countries reduce emissions by 25–40 percent below 1990 levels by 2020, while the developed countries stressed the importance of developing countries joining developed countries in constructing a post-2012 legal construct for mitigation of climate change.⁶⁶

Given the vast differences in negotiating positions – rooted essentially in the “developed vs. developing country divide” – and the likelihood that these differences will persist even during the next set of climate negotiations, it is critical to adopt an immediate strategy that focuses on immediate and tangible measures that can be taken to abate greenhouse gas emissions, particularly as the window of opportunity for effective measures is steadily closing.

With regard to China, many such initiatives are fortunately underway. For example, the Clean Technology Fund, run out of the World Bank, helps to provide clean technology funding to countries such as China.⁶⁷ Recently a joint initiative involving Norway, the European Union and China was introduced in June 2008. Under this initiative, the Norwegian government is expected to assist seven provinces and autonomous regions in China in improving industrial efficiency and pollution abatement. For its part, the European Union will assist seven provinces “to draw up actions plans to reduce greenhouse gas emissions.”⁶⁸ The program is also expected to focus on helping China adapt to anticipated effects of climate change, including crop adaptation and water efficiency.⁶⁹

China has also benefited from the Clinton Climate Initiative (established by former American President Bill Clinton), which has distributed

⁶⁶ “G-8, emerging nations seek ‘deep cuts’ in CO₂ but wrangle over target,” *Japan Economic Newswire*, July 9, 2008.

⁶⁷ The World Bank runs the Climate Investment funds (CIF), which includes the Clean Technology Fund (CTF) and the Strategic Climate Fund (SCF). See “Text of G8 Statement on Environment, Climate,” *BBC Monitoring Asia Pacific-Political*, July 8, 2008.

⁶⁸ “Foreign governments, agencies to help China cope with climate change” [Text of report by official Chinese news agency Xinhua], *BBC Monitoring Asia Pacific-Political*, July 1, 2008.

⁶⁹ *Ibid.*

millions of dollars to promote many energy-efficient practices in China.⁷⁰ Japan is also playing a major role in providing environmental technological assistance to China. During Chinese President Hu Jintao's May 2008 visit to Japan, both countries signed a memorandum that, among other things, specified the important priority attached to Japanese technological assistance regarding environmental matters. Japan has incorporated environmental technology into its Official Development Assistance (ODA) funding. Most recently, plans to develop and commercialize carbon capture and storage technologies (CCS) – such as the Integrated Coal Gasification Combined Cycle (IGCC) – were announced by a Japanese joint venture, Japan CCS, in an effort to combat climate change.⁷¹

Technological assistance and transfers have their own set of challenges, however. Some companies that create such technology have resisted such calls for transfers. Karan Ghatia, who represents a major American company involved with energy technology, has stated that “this is a fundamentally misguided concept that would immeasurably set back global efforts to combat climate change.”⁷² One of the concerns for non-Chinese companies is the poor state of patent enforcement in China. In addition, questions remain whether such technology can actually significantly diminish GHG emissions in China.

Nevertheless, technology transfer, whether through aid or market mechanisms, provides a tangible way in which the global community can assist China (and other developing countries) “leap frog” to a higher level in order – at the very least – to avoid the worst-case scenarios involving GHG emissions and climate change. As William Nutall and Devon Manz have recently argued: “Advancements in technology will be the only way the human race will discover sustainable, renewable, safe, low-cost and

⁷⁰ Michael Burnham, “China: as the planet warms, booming elites scramble to cut energy use,” *Greenwire*, July 15, 2008.

⁷¹ Takeo Kumagai, “Japanese Carbon-Capture Gains 4 New Partners,” *Platts Oilgram News*, Vol. 86, No. 155 (August 7, 2008).

⁷² Statement of Karan Bhatia, Vice President and Senior Counsel, General Electric Company, Committee on Senate Energy and Natural Resources, *CQ Congressional Testimony*, June 25, 2008.

secure energy sources."⁷³ Future technological breakthroughs may lead to even greater efficiencies than currently anticipated. Moreover, such technology transfers from developed countries would also demonstrate sincerity to China that developed countries, mindful of the reality that their activities have (as Chinese leaders assert) contributed to the current crisis of climate change, view the challenge as a global issue, and not solely a problem for China.

Conclusion

Since the implementation of reforms in the late 1970s, China has steadily emerged as a major economic power and, in the process, has "lifted hundreds of millions of its citizens out of poverty, improved domestic stability, and increased China's influence in international affairs."⁷⁴ Simultaneously, energy consumption has grown dramatically, resulting in a clash of trends with economic development and globalization on one side, juxtaposed with international concern about greenhouse gas emissions and climate change on the other.

For China, such contradiction can only be addressed through development. Since economic development is one of the key foundations of CCP legitimacy, any policy (or international pressure) that suggests diminishing or restricting such development will be viewed with great suspicion or even anger. Technological transfers from (mostly) developed countries may provide a pathway out of this development dilemma. Otherwise, reconciling climate change-abatement goals and China's desire for economic development and prosperity will likely remain one of the most vexing challenges of the twenty-first century.

⁷³ William J. Nuttall and Devon L. Manz, "A New Energy Security Paradigm for the Twenty-First Century," *Technological Forecasting and Social Change*, October 2008 [Lexis-Nexis ed.].

⁷⁴ *Military Power of the People's Republic of China 2008*, p. 13.

Some Thoughts on the Transformation of Armed Forces

Karlis Neretnieks*

This paper should not be regarded as a scientific investigation of all factors that might have to be taken into account when implementing changes in a military organization. Rather it is a compilation of personal experiences and thoughts from being a participant in the process of transforming the Swedish and Latvian armed forces during the last ten years. Lately I also have had reason to compare the security environments in Asia with those in Europe making me still more cautious when it comes to giving the word “transformation” a specific definition. Instead it should be realized that transformation is something extremely complicated, and where new ideas and old “truths” form a complex pattern.

Today, more or less, all military organizations – in Asia, in Europe, and elsewhere – find themselves in some kind of transformation process. The problem is that, in many cases, there is great uncertainty surrounding the aims of the process and how to implement the changes.

The need to transform military organizations has always existed. Unfortunately today’s debate, and the elaborate organizations and schemes developed to undertake this seemingly daunting task, serves to give the impression that we are approaching the problem for the first time – and that emerging technologies is the answer to successful transformation. In other words, the view prevails that new technologies have changed the world and the art of war totally; if one does not act fast and radically they will miss the train.

Of course new technologies and other developments such as urbanization, globalization, and modern terrorism have changed, and will continue to change, the ways we fight wars and will fight future wars. However, there are few reasons for regarding today’s changes as being more

* Karlis Neretnieks is Major General (Rtd), Senior Research Fellow, Institute for Security and Development Policy.

revolutionary than earlier radical reform processes, and which would imply that old lessons can be disregarded. Nor does it mean, or at least it should not mean, that transformation should follow the same pattern in all countries.

The introduction of conscription in Europe during the 19th century, the reform of the Japanese armed forces after the 1868 Meiji Restoration, the mechanization of most armies in the first half of the 20th century, navies changing from battleship-centered concepts to relying on airpower and submarines, and the introduction of radio to control units, were all reforms, or transformations, that had a radical impact on the conduct of wars. The introduction of conscription was probably, in many ways, a more drastic change, both when it comes to its impact on society and change in military thinking, than what is occurring today.

So, perhaps there is a need to take a look at what conclusions can be drawn from earlier radical transformations, and also to see if there are some “eternal” factors that will continue to have a crucial influence regardless of what kind of procedures or technologies are introduced.

The factors discussed below are just examples, but nevertheless they could serve as an illustration of the importance of *not* constructing theoretical models that look good and are introduced with great haste and at great cost, and that in the end prove less than satisfactory.

Changing a military organization will always be an evolutionary process. There will always be weapons systems, often very expensive, which will have to continue to be used for a long time, even if they are not optimal for the new environment encountered. This may apply, for instance, to aircraft carriers, heavy tanks, or other weaponry. Either they are utilized in new ways, or they are discarded. Both solutions have their drawbacks, however.

The first alternative, to use them in a new role, often leads to a situation where the systems used are not optimal for the task and, at the same time, take away resources from other investments. Moreover, the systems are often very expensive to run. While in business the maxim of “don’t throw good money after bad money” is often used, when it comes to war it is not so simple. In this case the really big problem is not economic, but rather it is a question of how sure one is about the future, that is, will the

“old” system really be useless in the next war, or are there factors that have been overlooked?

To take a simple example: battle tanks were more or less regarded as obsolete when the Cold War ended. The threat that underpinned the use of heavy tanks, namely the scenario of large Soviet mechanized armies rolling into Western Europe, had disappeared. To handle new threats, such as insurgencies, rouge states, and so on, necessitated lighter, more mobile units – or so the reasoning went. It was also perceived that new technologies would make the expensive tank very vulnerable. As it has turned out, the tank, with its combination of protection and firepower, has become an indispensable tool in peace operations. One reason for this is today’s heavy emphasis on force protection, a factor that was much less important during the Cold War. Then the primary aim of most armed forces was the protection of territory. In such a contingency preparations for large losses of life were tolerated. That is not the case today where most armed forces, from more developed countries, are engaged in conflicts far away from home, and public sensitivity to losses is extremely high.

Another factor apart from finding a new balance between weapons systems that will inevitably make any reform process a prolonged affair, is the need to reeducate personnel. It takes a number of years to train a unit to fight according to certain procedures and making the best use of available weapons systems. When it comes to officer training this is a more prolonged process still, as they, depending on level, also have to be able to locate their actions within a larger framework. This is learnt at war academies and similar institutions, where it inevitably takes a long time to alter and overhaul curriculums. Accordingly, it is a case of retraining the teachers. To totally reeducate a military organization is therefore a process that takes not just some years but decades.

What makes the picture still more complicated is that, in most cases, militaries also need to be able to fight during the reform process – few countries can afford the luxury, or risk, of taking a “strategic time out” lasting several years. Armed forces also have to be combat ready during the time when new technologies and procedures are introduced.

Therefore, the transformation of a country's military will always be a long-drawn-out and evolutionary process where a degree of uncertainty will be present over whether one is doing the right thing, and where it is necessary to be careful that not too much efficiency is lost whilst introducing changes.

The previously mentioned example of the continued relevance of tanks in modern war fighting, despite opinion to the contrary at the time of the end of the Cold War, is also illustrative of the uncertainty that goes hand in hand with the radical transformation of armed force structures; regardless of how much time and money is put into thinking and research, it will never be possible to accurately foresee how future developments will evolve.

Before the First World War very few people foresaw the impact of the machine gun. During the Second World War it was not so much the existence of tanks that surprised the participants, but it was the innovative way in which the Germans (and the Russians) used them. Today we see the limitations of technology when it comes to fighting urban guerillas; the traditional foot soldier has become a decisive instrument again. In the race between modern stealth technology and new sensors, furthermore, it is unclear which will gain the upper hand – probably neither. It will likely be a continuous race between means and countermeasures, where one technology has the upper hand at one time and another technology will be superior at another time. In some cases it will also be obvious that it is impossible to compete in certain areas and, therefore, “asymmetrical” solutions will be employed, thus necessitating a totally different type of transformation than one's presumptive opponent.

It should be surmised that military organizations in different countries will have different needs, depending on the tasks they expect their armed forces to fulfill. While they should not be afraid of introducing new technologies and tactics, it should be done gradually and “surprises” should be expected. There is no panacea when it comes to creating an effective military for the future. It will always be a mix of old and new, and where one will never be sure of how systems and methods will function successfully when put to the test of war. Indeed, in hindsight, the reality may dawn that one should have scrapped some old systems and invested

in others instead, and that some of the more recent investments were useless. Therefore, the most important factor is to have a built-in flexibility, both mentally and technologically, making it possible to adapt to any given situation. To put all eggs in one basket when it comes to specialized capability, such as satellites for communications, a certain type of missile for air defense, and rigid staff procedures, is probably a recipe for disaster.

When it comes to “eternal truths” there are some things that very probably will not change regardless of what kind of technologies or methods are employed in a military organization.

Factoring in Human Nature

What makes some organizations more efficient than others? Why do some military organizations produce more fighting power than others, particularly when they are technologically and logistically inferior compared with their opponent? The most important factors seem to be connected with human nature and consequently group cohesion, leadership, and organizational culture.

Groups where people know, support, trust, and are dependent on each other seem to be more efficient and much better able to cope with dangers and hardships than individuals that have to act alone. A simple illustration of that is that crew-served weapons very often continue to fight in situations where soldiers acting alone tend to give up. Also belonging to a certain unit with special symbols and traditions seems to have a positive impact on the willingness and ability of people to act in a way that is in line with what the organization expects. While such insights are not new to anyone who has experience of war, they sometimes seem to be forgotten when “optimal” organizations are created. The assumption often seems to be that the soldier is an operator of a device, not a person whose efficiency and endurance depends on the human environment he has to act within. As modern weapons systems today very often can be handled by very few (costly) people, there is a clear tendency to play down the importance of soldiers working cohesively in groups or units; both when it comes to the need of giving each other moral support as well as the unit being able to sustain casualties, and still being able to function.

Today's technology not only allows different systems to co-operate over large distances, but it also creates the possibility for small units to utilize the firepower of large parts of the overall organization they belong to. This is a quantum leap when it comes to maximizing the output from a limited number of systems and personnel. Unfortunately, this has also led to an exaggerated tendency to try to tailor "ad hoc" units for the task at hand. Theoretically this makes perfect sense. The following analogy can be employed, that if you want to bake a cake you take a little of that, and a little of something else, and you get the perfect result, and at the same time nothing is wasted. The fallacy in applying this way of thinking when it comes to military operations, however, is that the efficiency of a military unit, large or small, very much depends on teamwork. Not just at a low level but also between units and commanders of different units. A football team or an orchestra, or in this case a military unit, will never be good if the members have not trained together and can foresee the reactions of the other members of the team (or the organization); especially not in situations where losses of personnel and equipment take place, and where improvisation is required to be able to continue with carrying out a given task. The balance between relying on theoretically optimal "ad hoc" units and not so optimal units with an established order of battle is hard to strike. Very often one has to be aware of what I would like to call "false efficiency," which is clarified further below.

The primary role of the commander on the tactical level, meaning approximately up until the brigade level, is to exercise personal leadership. However important it is to make clever plans and to co-ordinate resources, the main task will be to motivate the officers and soldiers who are put in harm's way. Apart from organizing the activities of command in a way that creates confidence among subordinates, the commander must be seen, recognized, and respected as a person. At the lowest levels this is achieved through leading by example; at somewhat higher levels it is done by visiting and showing interest in the plight of lower units and individuals. Leadership is not technology – it is human interaction – and it takes time and effort to create trust. Accordingly, it is necessary to be careful with creating temporary solutions that appear efficient and economical on paper (or computer screens). They (the solutions) also have to with-

stand an environment where people are afraid, some die, and where the warriors turn to their commanders for guidance, comfort, and encouragement.

Conclusion

No single model of transformation is universally applicable, as most countries will have different needs depending on the way they intend to use their respective militaries.

While excel spreadsheets may rationalize the most cost-effective solutions, it is probably the worst tool to employ when building and employing a military organization. If one forgets the importance of the human factor, and that military actions very seldom unfold or develop according to plan, there will be a high price to pay.

Transformation of a military organization will always be a matter of blending new and old technologies and methods with human behavior, its strengths and weaknesses, and the latter will always be the most important factor.

Security and Development in Asia

New Threats and Challenges in the Post-Postwar Era

Bert Edström, ed.

After the end of the Cold War the threats to security have been many and varied. New threats coming into focus in the 1990s continued to linger on into the new millennium, overlapping and overlaying traditional threats. Asia is one of the parts of the world where new security threats have risen dramatically in prominence. This book focuses on the increasingly complex security agenda that countries are facing and which have resulted in a new conflict environment.

Contributors: Dan Burghart, Arthur S. Ding, Bert Edström, Ingolf Kiesow, Lam Peng Er, Karlis Neretnieks, Paul J. Smith, Niklas Swanström, and Benny Teh Cheng Guan.

Bert Edström is Senior Research Fellow, Institute for Security and Development Policy.