
SECTION FOUR

Conclusions



Future East Asian Security Architecture Implications for the PLA

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“SECURITY ARCHITECTURE” is too grand a term for what currently exists in East Asia and what is likely to exist in the foreseeable future. What we have, rather, is a set of security issues and relationships—some formal, most not—that constitute the totality of the present reality, with little prospect that this will change significantly.¹ Therefore, although this chapter may occasionally lapse into the use of the term “architecture,” there is in fact no discernable structure to guide our analysis.

This chapter makes reference to Chinese security concerns in Central, South, Southwest, and Southeast Asia, but the focus is on Northeast Asia, because the main drivers for the People’s Liberation Army (PLA) increasingly lie in that region. Over the course of the next fifteen to twenty years, questions relating to terrorism and other transnational issues could arise in other quadrants around China’s periphery. For example, Tibet in the post-Dalai Lama era could give rise to some particularly delicate conditions drawing PLA attention. Uighur separatism is likely to continue to be a focus of military responsibility as well. Moreover, at some point China may well feel the need to consider what would necessarily be an expensive strategic lines of communication (SLOC) protection force in Southeast and South Asia, especially for growing energy imports. But the fundamental fact remains that, as they are now, the issues that relate to China’s core national security interests will be far more concentrated in Northeast Asia than elsewhere.

The state of Sino-American relations will be of crucial importance to China’s perception of its security needs and its decisions about PLA

size and configuration. If relations with the United States are strained or characterized by continuing or even deepening mutual strategic suspicion, the PLA will be tasked with countering any U.S. developments from around China's periphery that hint of containment. But the nature of cross-Taiwan Strait relations, and the possible U.S. role, will remain a primary driving force for the PLA. Moreover, China will seek to exercise increasing control over approaches to the mainland from the Pacific. Even if Sino-American relations are more relaxed, Beijing will continue to hedge against the ongoing U.S. buildup in the Pacific, just as Washington will hedge against the uncertainty of China's future strategic decisions. Thus for now, and for the foreseeable future, the PLA's emphasis will be on continuing air and naval modernization that have greater relevance to the situation to China's east than areas at other points of the compass.

CURRENT SITUATION

Today, the issues that drive the security policies of the principal security players in East Asia—and particularly Northeast Asia—are in the realm of what one might call “traditional” national security. For China, the overwhelming focus is on Taiwan. That does not mean that the focus is only on sizing and shaping the PLA to deal with Taipei's military; rather, and far more important, it means being prepared to deter, delay, deflect, and, if necessary, defeat the United States in the Taiwan theater. Even more specifically, it means two things: (1) developing the capabilities to act with sufficient speed and effect to “win”—whatever that may mean under the circumstances—before the United States can intervene with more than token forces; and (2) developing asymmetric capabilities to counter the United States in recognition of the fact that force-on-force match-ups may not be to China's advantage over any conceivable time frame.

In assessing U.S. goals, more than a few analysts in the People's Republic of China (PRC) view the United States as determined to prevent the mainland's unification with Taiwan. They see U.S. efforts dedicated to maintaining the status quo, with no war and no peace, in which the island stands as both a physical obstacle to China's access to the Pacific and a potential base of operations against the mainland.

These concerns come against a more generalized background of the “hundred years of humiliation” and an underlying “never again” mentality that informs PLA priorities, budgets, and strategies. Still, at this time at least, it is hard to conjure up a scenario that would pit the PLA against another major power, including the United States, in all-out conflict other than one relating to Taiwan. So, while one has to presume that a significant proportion of the efforts and resources devoted to military modernization have a general national security purpose, they *also* (in general) must be useful in a Taiwan scenario.

As a result, the prevailing strategic condition in Sino-American relations is schizophrenic. Both countries seek constructive relations as a fundamental national goal, not just for the short run but for the medium and long term, as well. This means not only diplomatic and economic engagement, but specifically a lively military exchange at various levels, going beyond academic institutions to operational forces and senior military and civilian defense leaders. At the same time, each side is preparing for war against the other both as a deterrent and as a means of securing “victory”—or avoiding defeat—should conflict prove unavoidable.

In this context, although Sino-Japanese relations have been improving since fall 2006, they remain tentative, at best.² The U.S.-Japan alliance is the cornerstone of the American security presence in the region and of the ability of the United States to project power in fact and in perception. It is decidedly a mixed blessing in China’s view.

Beijing has long seen the value of the alliance to itself in the sense that the U.S. strategic assurance means Japan does not need to consider seriously developing either extensive conventional offensive capabilities or nuclear weapons.³ Its implicit contribution to stability on the Korean Peninsula is also valuable to the PRC.

But China is not convinced of the limits of American ambitions for Japan and for the alliance, and many strategic planners in China consider the alliance an American instrument to enlist Japan in U.S. hegemonic plans, including the containment of China. On the other hand, they also worry that Japan will use the alliance to enlist the United States in Tokyo’s “assertive” policies as it moves toward the status of a “normal” country. Japan’s deepening role as an alliance partner, not just in terms of logistical support but potentially as a more active participant in a Taiwan contingency as well, is of great concern to PLA military planners.

Indeed, beyond the underlying competition with China for power and influence in the region, and beyond competing claims over resources and Exclusive Economic Zone (EEZ) limits that are the most obvious sources of potential bilateral conflict, Japan's ultimate ambitions toward Taiwan remain perhaps the most important short- and medium-term concern for Beijing. Whether Prime Minister Abe's apparent new emphasis on good relations with the PRC—including his reaffirmation of Japan's "one China" policy—will prove reassuring to China is an open question. But it is likely that, even with agreement on a new "strategic" relationship and plans for robust military exchanges, the PLA will continue to plan for the worst. Thus, the PLA will want to have the capacity to deter and, if necessary, defeat Japan in a Taiwan scenario (at least one area of Chinese military modernization is specifically designed with Japan in mind—medium-range missiles).

The approach to the Korean Peninsula of both China and the PLA is far more relaxed than in years past. Bilateral relations with South Korea (ROK) are prospering along a variety of tracks—political, economic, cultural, and even security. And while in some technical, legal sense the PRC-North Korea (DPRK) alliance remains in effect, in every way it can without openly renouncing that alliance, Beijing has made clear that it regards North Korea's security like that of any other country. That is, it feels no special commitment to come to Pyongyang's aid with military forces. It is not hard to draw up a list of reasons why this is so.

One issue, of course, is what might happen if the DPRK simply collapsed. Would U.S. forces end up north of the 38th parallel? Would the currently shrinking U.S. force presence on the peninsula be reversed? Would Washington be willing to provide some guarantees to Beijing—perhaps ahead of time—about ultimate disposition of U.S. forces for the longer term, even if some movement northward were to take place in the immediate wake of a DPRK collapse?

Whether stemming from DPRK collapse or not, the PLA must assess what a future "unified" Korea would look like, and what the security alignment vis-à-vis the United States would be. Especially if a more conservative South Korean government comes to power in spring 2008, as seems likely, and if the recent tensions in U.S.-ROK relations—including alliance relations—are reversed, what will the consequences be for China?

All around the PRC's periphery, it is clear that Beijing is wasting no time in seeking to develop relationships that will help ensure that the United

States would have fewer opportunities to launch attacks on China, should it come to that. The success of this approach is seen in ROK President Roh Moo Hyun's announced proscription on the deployment of U.S. forces in Korea into combat in the region without prior Korean approval. Similar restrictions would appear to exist elsewhere and, indeed, it is hard to imagine a scenario in which any nation in Southeast, South, Southwest, or Central Asia would consent to the American use of its bases for such purposes. Whether the PLA is currently working to establish real basing arrangements for itself in some of these countries (for example, in Burma or Pakistan) is a hotly debated issue. But what cannot be debated is that, in terms of military diplomacy, China's approach is highly activist and successful. Moreover, although China's "military power" is currently more a matter of perception than reality for countries in the region, in bureaucratic parlance, that is good enough for government work. Even if Beijing is not seen as posing a direct military threat to the region, the perception of a strong and strengthening China serves to encourage the nations on China's periphery to remain on good terms with Beijing even as they also seek some balancing presence from the United States (and perhaps Japan) across the spectrum of national power—economic, political, and military.

China's attitude toward and relationship with Russia is extremely complicated but not terribly threatening to anyone, except perhaps in terms of the firepower the Russians are all too ready to sell to the PLA, which could be used against American or other forces in a Taiwan contingency. The joint exercises held so far between China and Russia do not appear to be precursors to joint military operations in any foreseeable real-world scenario.

DRIVERS FOR CHANGE

What will influence this picture over time? One of the most important drivers will be the success of the PLA in modernizing its forces in ways that enhance China's influence and power. For the purposes of this discussion, we assume that almost regardless of what happens to China's economy and its foreign relations, modernization will continue apace and China will not only continue to acquire an impressive array of weapons systems, but also an increasing capability to use them effectively.⁴

There is some debate about how effectively the PLA can integrate the plethora of new systems it is acquiring into its military strategy and doctrine. Whatever the facts in that regard, even though the United States should remain well ahead in most weapons categories, the “problem” is not simply a capabilities match-up; the issue is whether each side develops reliable capacities, including asymmetric ones, to cope successfully with the strengths of the other side. In a metaphor of traditional naval battles, one might say that the task of each side will be to “cross the ‘T’” of the other side’s forces.

Over the next fifteen to twenty years, three issues will be the most important in determining how security relations play out and, therefore, how the PLA will seek to position itself: Taiwan, U.S.-PRC “strategic” relations, and Japan. This is not to dismiss other factors, such as the course of economic change for China, the United States, and the world; major terrorist incidents; the collapse of Pakistan; widespread conflict in the Middle East; or the potentially disruptive effect of developments on the Korean Peninsula. Although this chapter addresses some of these contingencies, none of these would fundamentally alter China’s strategic aims. For example, in the event of a crisis on the Korean Peninsula, all of the governments concerned should be able to cope in ways that do not threaten the basic national security interests of the others. It might involve the PLA developing some capacity to help stabilize the situation on the DPRK-PRC border, perhaps even including some limited cross-border intervention. However, absent a total breakdown in Sino-American relations *and* PRC-ROK relations, not only is it hard to envisage a massive PLA intervention deep inside Korea, but also there is no significant prospect of U.S. forces being deployed in northern Korea on a long-term basis or in a way that China would perceive as overly threatening. (On the other hand, China might not share that view and it would be useful to consider how to convey it credibly to Beijing.)

The weakening of the U.S. alliance system is also something to take into account and ought to be a matter of considerable concern to Washington policy makers. In most respects, Washington and Tokyo would claim that the alliance is stronger than ever and the prospect is for even closer and stronger ties in the years ahead. But while recent public opinion polls in Japan have shown substantial and growing support for the alliance, there is greater tension and fragility to that relationship than is

obvious—or healthy; looking out over the next couple of decades, both countries will need to be alert to the implications of this situation and to rectify it as best they can.

The U.S.-ROK alliance is under even greater strain. Efforts have been made to patch up some of the damage done over the past several years, including through high-level meetings.⁵

Although the implications of the failure to rectify the weaknesses in U.S.-ROK and U.S.-Japan ties could be substantial, this analysis proceeds on the assumption that, because of the essential importance of the alliance to both nations and the obvious desire of both governments and both publics to maintain it, issues in the U.S.-Japan alliance will be self-rectifying; one hopes this will prove to be the case with South Korea, as well.

As suggested earlier, one cannot rule out developments in Central, South, Southeast, or Southwest Asia that could cause Beijing to react in some substantive fashion, including perhaps the redeployment of some military assets closer to those regions. But a scenario in which the PLA might feel that its priority must be shifted to those areas in any significant manner is highly unlikely.

The chapter now turns to discuss briefly the possible range of developments in the three principal areas already identified, to address a couple of the “lesser” contingencies, and then to talk about the creation of a “regional security structure.”

Taiwan

Assuming that Beijing continues along its current generally accommodating course with Taiwan, and carries it the logical next steps forward, no matter whether a Democratic Progressive Party (DPP) or Kuomintang (KMT) government takes power in 2008 in Taipei, and in the years thereafter, the impulse on the island toward independence, though deeply felt, will remain in check. This is not to say that sentiment in favor of unification will grow substantially, but rumbling dissatisfaction with Taiwan’s current ambiguous status could attenuate, even if a meaningful minority continues to hold strong views in favor of pushing for *de jure* separatism.

In this scenario, differences over the ultimate resolution of Taiwan's relationship with the mainland would be more or less set aside in favor of pragmatic cross-strait ties, reduced military tensions, and some significant level of "international space" for Taiwan (even if there is no concession in the area of sovereignty). One cannot expect that, even under these benign circumstances, all dimensions of the military face-off across the strait would disappear. After all, what leader in Beijing could afford to "assume" that there would not be another turn of sentiment on the island toward pushing for independence and that it was therefore safe to give up all aspects of deterrence against that possibility? But the quality of cross-strait relations would change. Moreover, if the administration in Taipei were to embrace some version of "one China," confidence-building measures (CBMs) could be developed, as specified in the "authorized statement" of the State Council Taiwan Affairs Office in May 2004, and the "state of hostility" between the two sides could even be formally ended, as provided for in the "Jiang Zemin 8-point proposal" of 1995. But creating confidence that such an agreement would not collapse with the next change of administration in Taipei would not be easily generated, which would make especially this last step very difficult.

Although some in the United States (and in Japan) might be nervous about the implications of such an evolution, it would be hard (and self-defeating) for either government to oppose such a change. These developments would neither come close to effecting unification (which will not take place for a very long time) nor change the fact that Beijing would not be in control of Taiwan's policies.

Although one would hope that mutual steps would lead to a reduction in the military component of cross-strait relations, in response to the PRC's determination to preserve a deterrent against Taiwan independence, Taiwan would still need to maintain a hedge against a malign change in the mainland's policies. Thus, while some of the grander designs for glitzy arms purchases would most likely be scrapped (as they should be), the United States would still press Taipei to adopt adequate defense budgets. Moreover, the United States would maintain an adequate capability of its own to cope with any threat to Taiwan, not only because this is required by the 1979 Taiwan Relations Act (TRA), but also because, from a strategic perspective, it would be prudent to do so. All of that said, however, a reduction in tensions would clearly serve the overall U.S. strategic national interest.

Even if the cross-strait relationship did not evolve beyond this level, Japan would still be nervous about the long-term implications for its own supply lines, especially to the Middle East, and about China's ability to establish a regular military presence in a wider region of the Western Pacific. Nonetheless, overall stabilization of cross-strait relations and reduction of military tensions between Taiwan and the mainland would also tend to stabilize the strategic picture of both Japan and the United States.

As noted above, a requirement for such improvement in cross-strait relations is that Beijing maintain and extend its current approach to Taiwan, agreeing to set aside issues of unification and to take a number of steps to meet Taiwan's aspirations while reducing its sense of threat. Given current trends, one might speculate that this is not only possible but likely. The problem is that straight-line projections are notoriously hazardous. Moreover, there is some risk that Beijing will underestimate the importance of its peaceful handling of the Taiwan question to the United States.

There is a tendency on the mainland to assume that, while Taiwan is a "core" issue for the PRC, it is of lesser, perhaps even marginal, importance to U.S. security. Because of this, China believes it could take some risks without fear of precipitating a Sino-American war.⁶ Viewed from an American perspective, this considerably understates U.S. interests in Taiwan itself.⁷ Moreover, it ignores the larger implications of a potential PRC use of force, whether in the Taiwan Strait or elsewhere, that Washington sees for its security interests in the region.⁸ Thus, any PRC assumption about a second-order U.S. interest in Taiwan's security could lead to a tragic miscalculation; it was precisely this concern about misperception that led the United States to deploy two aircraft carrier battle groups to the Taiwan area in the spring of 1996.

Setting aside purposeful military confrontation, if there were either economic disruptions or political chaos in mainland China, would that lead, as some postulate, to an attempt by the leadership in Beijing to divert attention and perhaps even stimulate the economy or political unity by adopting a harder line against Taiwan?

The answer is unclear, especially because the personalities of future leaders in the PRC will obviously play a central role in what sorts of decisions are made. That is one reason to maintain a hedge and work continuously on the underlying political relationship to shore up the

mutual commitment to resolve issues peacefully. Even so, it is hard to come up with a scenario in which it makes sense for Beijing to seek remedy for domestic woes through overseas adventure, including over Taiwan.⁹ Such a course would require the total overthrow of a carefully constructed foreign and security policy that is designed, first and foremost, to provide a benign external environment. Even if the domestic situation that external environment is meant to foster encounters difficulties, as it almost assuredly will at some point, the underlying logic will not change. In this analyst's judgment, it would take something of a revolution on the mainland to drive China to reverse its policies and risk all it has achieved by undertaking an overtly aggressive foreign policy.

If Taiwan politics were once again to produce leaders who wanted to push the envelope on *de jure* independence—meaning primarily via constitutional change but also perhaps through blatant assertions of sovereignty in other ways that Beijing could not ignore—then things could change. But it seems that the broad outlines of a *modus vivendi*, at least in this respect, are emerging and the frequently reaffirmed insistence of the people of Taiwan that their leaders not needlessly or recklessly rock the boat is firmly grounded. To repeat, if Beijing can rise to the occasion to give the people of Taiwan a deeper sense of satisfaction that their interests are being met, their needs satisfied, and their achievements respected, it is reasonable to assume that Taiwan can and will become a more stable element in the regional security architecture.

The PLA will not lose interest in modernizing and significantly upgrading its capabilities, including, as noted, with respect to deterring any resurgent Taiwan independence sentiment.¹⁰ Furthermore, its perceived position of military inferiority to the United States will be a sufficient motivator to ensure that substantial PLA defense budgets are adopted for the indefinite future. This will include upgrading not only hardware, especially in the form of air and naval platforms and missile capabilities, but also information technologies and exotic capabilities in terms of electronic and space warfare, in addition to increased investment in training and retaining qualified personnel.

Still, the transformation of the Taiwan situation could pose some significant “guns versus butter” choices for the leadership. If the stabilizing trends in cross-strait relations outlined above were to continue, and if China were to experience an internal crisis that would change the nature

of the debate in Beijing, the only factor that would significantly heighten tensions over Taiwan (and hence the level of PLA concern) would be a serious deterioration in Sino-American relations.

U.S.-PRC Strategic Relations

While the substantial transformation of the Taiwan issue would have a major impact on the choices of both China and the United States, the actual difference that the new situation would make in terms of policy would depend, as stated, on the overall state of U.S.-PRC relations. That said, it is currently difficult to untangle the Taiwan issue from the overall relationship. After all, a good deal of the mutual strategic suspicion that exists between the United States and the PRC is tied to perceptions of the other side's goals in Taiwan. Many in China believe the United States wants to use Taiwan to hem in China's naval forces and even to use the island, eventually, as a base of military operations against the mainland. In turn, many in the United States see the PLA coveting Taiwan as a base for their own outward reach with a "blue water" navy and, at a minimum, as a strategic buffer against pressure from the east. In these circumstances, how can the Taiwan situation really be transformed unless the strategic suspicion is reduced? Conversely, how can the strategic suspicion be reduced unless the Taiwan situation is transformed?

Approaching this issue from a Washington perspective, it is hard to sustain the case that some PRC analysts make that the United States intends to hold Taiwan separate from the mainland in order to hem in the PRC or keep it focused on an issue that drains its energies from other areas. Even if unification were a realistic prospect in any foreseeable future, the United States still would not seek to obstruct it, although the debate in the United States over this question could well be more animated.

But unification is not a realistic prospect in any foreseeable future, and thus the issue needs to be posed differently. Would a reduction in tensions across the strait, a lessening of the possibility of war over Taiwan (however slim it may be now), and the substantial elimination of "the Taiwan question" as a burr under the saddle of Sino-American relations be in the U.S. national interest? Or would it threaten to lull the United States into complacency about both the Taiwan situation itself

and Beijing's larger ambitions, causing Washington to lower its guard and invite challenges to its influence and interests?¹¹

To this writer, the answer is indisputable; it is clearly the former, positive response, not the latter, doomsday approach. But, having said that, one must still ask what the prospects are that Beijing and Washington can move to a relationship that is at least more trusting and more cooperative, if not a full partnership approaching an alliance.

First of all, reducing mutual concerns over Taiwan is a *sine qua non* for the long-term improvement of the overall relationship and reduction of mutual strategic suspicion. As already noted, it is hard to imagine another issue that holds the possibility of real war between China and the United States. In addition, it is hard to think of how the need to prepare for war in an active and focused way can be reduced if the Taiwan issue is not placed in a more stable and predictable context.

A great deal has actually been achieved since 2003–2004 in creating some mutual confidence that one side will not take steps, and is not pursuing near-term goals, that challenge the other's fundamental interests with respect to Taiwan. Although Beijing was determined even before the George W. Bush administration took office in 2001 to avoid confrontation on any issue including, if possible, Taiwan, the president's negative attitude toward the PRC and his rather assertively expressed support for Taiwan's security created doubts in Chinese minds about President Bush's ultimate intentions.

Especially in the wake of the EP-3 incident in April 2001, the president showed extreme reluctance to embrace publicly the fundamental principles on Taiwan that have been crucial to U.S.-PRC relations since the 1970s. Even though he had openly supported the U.S. "one China" policy during the 2000 presidential campaign, and he grudgingly referred to it during his February 2002 visit to Beijing, it was not until Jiang Zemin visited President Bush's ranch in Crawford, Texas in October 2002, a full twenty-one months after taking office, that President Bush was willing to publicly endorse the entire "mantra" of the "one China" policy and adhere to the three U.S.-PRC joint communiqués (as well as the TRA).

He did so, it is important to note, not simply in the context of China's cooperation on post-9/11 issues, though that was obviously crucial, but also in the wake of President Chen Shui-bian's articulation of *yibian, yiguo*

(“one country on each side”) and his implicit threat to move to independence (“go down Taiwan’s own road”). A little over a year later—when Chen was not only pushing for referenda that the United States found problematic in terms of cross-strait issues, but even raised the idea of a “brand new” constitution to be approved directly by the people, bypassing the normal amendment procedures—President Bush was moved to chastise Chen Shui-bian with PRC Premier Wen Jiabao at his side at the White House.¹²

Then and through much of 2004, even after Chen’s May 2004 inaugural address when he pulled back from some of his more problematic proposals, Beijing questioned the American will and ability to rein in the Taiwan president. Over time, however, the PRC leadership gained greater trust in Bush and his intention to oppose Taiwan moves toward independence. The PRC’s narrowing of its own focus from promotion of unification to blocking independence also helped.¹³ The net result of all of this was that Washington and Beijing came to see each other as working to move the situation away from confrontation, and possibly war, over Taiwan.

This has not completely relieved the mutual strategic suspicion that exists. In addition to their bottom-line adherence to differing perspectives on Taiwan, the robust PLA modernization program, on the one hand, and active U.S. reinforcement of Pacific forces as well as diplomacy and military deployments around China’s periphery, on the other, keep that mutual suspicion alive and well.¹⁴ The “strategic” (or “senior” in U.S. parlance) dialogue developed in 2005 (a reprise of an effort almost a decade earlier under President William J. Clinton) held the prospect of beginning to get at this issue. But the departure of Deputy Secretary of State Robert Zoellick from the administration cast its prospects into doubt. The “strategic economic dialogue” created under the aegis of Treasury Secretary Henry M. Paulson and Vice Premier Wu Yi can make an important contribution to a sense of mutual confidence, and it should not be denigrated. Indeed, in some respects it is the most important current bilateral conversation. But it cannot substitute for the political/security dialogue that former U.S. Deputy Secretary of State Robert B. Zoellick began with Senior Vice Foreign Minister Dai Bingguo. Whether his belatedly appointed replacement, John D. Negroponte, will have the interest, or time, over the remaining

months of the Bush administration to resume the conversation with the same focus and determination that Zoellick brought to it remains to be seen.

If the positive scenario outlined here for Taiwan and cross-strait relations becomes reality, it will open the door to a more broadly based reduction in tensions between Washington and Beijing. Furthermore, if this is reinforced by greater overall mutual strategic trust, while it will not bring peace and harmony to the world or even to Northeast Asia, it will have a major effect on the region's "security architecture."

As noted earlier, the PLA will continue to modernize its forces—especially air, naval, and missile forces—as a natural aspect of China's growing power, giving China a basis for protecting its national security and other interests and for projecting its political power in the region and beyond. The United States will also continue to develop its military capabilities, including in highly sophisticated areas of weaponry. But just as the PLA will need to take care not to give the impression of an outsized ambition, the United States will need to carefully ensure that its defense policies and plans affecting China are thought through beyond their short-term value to include also their long-term effect. Thus, assuming the United States gets beyond the nonsensical Rumsfeldian "What do they need all that capability for? Who is their enemy?" line, it will be important to have greater transparency on both sides about national security policy, military doctrine, capabilities, and plans.

Japan

Ask any mainland Chinese analyst or official what "other" factor could spoil such a positive evolution in the regional strategic picture, and the likely one-word response is: Japan. The Chinese understand the fundamental importance of constructive Sino-Japanese relations to the future of the region and, hence, to China's own well-being.¹⁵ And, at least for now, there is a noteworthy effort being made by both Japan and China to deal constructively with history issues and the modalities of bilateral interaction that have plagued bilateral ties for the past several years. Prime Minister Abe's trip to China in October 2006, within two weeks of assuming office, and Premier Wen's return visit in April 2007 are

certainly welcomed developments. Yet, the historical overlay and the instinct among both sides to seek to manipulate the situation complicate the relationship. Furthermore, the preliminary steps taken to date are far from immune to setbacks. It will require considerable political will to move beyond atmospherics to substance.

More important yet, the fundamental issue is not history or shrine visits, but the contemporary competition between Japan and China for power and influence. There has been a remarkable rise in Japanese concern about China's growing strength across the political, economic, and military spectrum and a change in Japan's underlying attitudes toward the foundations of the relationship. No longer does the "friendship paradigm" govern Japan's approach to China or the underlying adherence to "permanent penitence" obtain.¹⁶ Moreover, lingering Chinese apprehension about a resurgence of Japanese militarism, especially if ("when," some Chinese would say) Tokyo's alliance with the United States frays, has not been allayed.

Yet, for all of the focus on constitutional revision in Japan and becoming a "normal" nation, it is highly unlikely that the Japanese will reverse their strong aversion to militarism. Under Prime Minister Abe, and no doubt under the rising younger generation of leaders who will follow, Japan will adopt a more assertively nationalistic stance to protect and advance its interests. But assertiveness and nationalism do not equate to aggressiveness, and abandoning passivism does not equate to abandoning pacifism. That said, under two sets of conditions, Japan's security orientation could change, with significant implications for China and the PLA.

First and of greatest importance, if the U.S.-Japan alliance were to weaken or lose credibility, especially with regard to extended nuclear deterrence, Japan would face a wrenching choice. It could simply adjust to a situation in which its security depended much more on strengthening political relations with China and accommodate to China's dominance. Or, it could choose to strike out on its own with a major shift in policy in the direction of obtaining offensive, and possibly even nuclear, weapons capabilities.

Second, if China was, for whatever reason, to become more assertive in confronting Japan, Tokyo might also go further along the path of "normalization" than seems likely at present. This could be the case even

if the U.S. alliance were intact (and certainly if it were not), with Japan opting for a far more active defense role. If China, for example, opted to mount direct challenges over disputed ocean areas and islands, dispatch more submarines and other naval vessels into the Japanese EEZ or even territorial waters, or openly threatened Japan over Tokyo's possible involvement in a Taiwan contingency, this could force Japan to decide on a more robust approach. Perhaps in recognition of the fact that its actions affect Japan's choices, China has made changes to its behavior; even before the current warming trend after Abe's rise to prime minister, there were far fewer Chinese challenges to Japan's air and sea space in 2006 than in previous years.¹⁷

Although Taiwan may be the most fraught issue politically, perhaps the trickiest issue currently is competition for resources in the ocean areas lying between Japan and China. Many experts believe the quantity of oil and gas resources, while not trivial, is not enormous. Especially for Japan, one hears that the issue is more related to questions of sovereignty and, from Tokyo's perspective, compelling Beijing to observe international norms. In a way, this is actually more disturbing than it is reassuring; emotions can run high in such circumstances. Recent recommitment by both sides to approach these issues cooperatively is encouraging, but one has yet to see a workable model for "sharing resources" even if sovereignty-related claims can be shelved for now.

Avoiding negative scenarios depends primarily on commonsense decisions in Washington, Tokyo, and Beijing. Given the fundamental interests of all parties, the odds that such decisions will be forthcoming are high—if not consistently, then at least as the predominant trend. Thus, one ought not to anticipate Japan "breaking out" as an independent military force of great concern to China.

That said, even if Beijing analysts and policy makers agree that the odds of a remilitarized Japan are low, they will keep a weather eye on those possibilities and, although the lead time for detecting any such major changes would likely be substantial, they will want to have both the contingency plans and surge capabilities to cope with any unexpected developments. This will argue for continued modernization of their missile force—moving apace toward road-mobile, solid-fuel models—and the development of air and naval capabilities to deter or confront Japan.

OTHER ISSUES

There are also other factors that could affect the national security decisions of the major players in the East Asia/Pacific region and their future relations.

Terrorism

A major act of terrorism in any number of places could shake things up in Northeast Asia, even if the attack did not take place there. For example, another assault on the United States could, depending on its presumed source, either cement U.S.-PRC relations further (if cooperation dramatically increased, including the continuation of U.S. pressure on Taiwan to avoid provocations) or drive a wedge (if the weapon's source was suspected to be North Korea, for example).

An attack within China itself could also cement relations further, if the United States showed itself to be more open to backing a PRC crackdown on domestic elements that might have been involved. The 2002 labeling of the East Turkestan Islamic Movement as a terrorist organization upset many foreigners, including Turkish-American groups, who were worried about the repression of Uighurs. But for all the political pain it caused the Bush administration, in fact it was not viewed as terribly significant in Beijing. Whether a major terrorist incident in China would produce a more meaningful American reaction, generating more positive assumptions about U.S. intentions, would have to be seen. But if so, there would likely be a price paid at home and elsewhere in terms of perceptions of U.S. human rights policy.

U.S. Alliances

The key role the U.S.-Japan alliance plays, and will continue to play, in the Northeast Asian security architecture is discussed above. On balance, assuming the alliance remains healthy and that the Taiwan situation remains calm, the net impact of the alliance should be positive for maintaining regional equilibrium and should not create any major

driving issues for the PLA. If the alliance becomes troubled, however, all bets are off.

The U.S.-ROK alliance is a somewhat different matter. It too contributes to regional stability and, as long as it is not seen as threatening to China, will be viewed in Beijing as contributing to the maintenance of peace and stability on the peninsula (thus in China's interest). But it is not at all clear that the PRC currently holds such a benign view of the alliance nor is it clear that the United States and China are engaged in a sufficiently candid level of dialogue through which they can provide each other with mutual assurances about what might happen in a North Korean collapse contingency. This could be fixed, but it will take some effort on both sides.

The less predictable scenario is one in which the North is believed to be transferring nuclear weapons-related material, equipment, or expertise. As President Bush made clear in his statement in reaction to the DPRK nuclear test in early October 2006, any such transfer would likely generate a forceful American response. In this analyst's view, that includes the possibility of a military strike on those facilities that could be identified with the DPRK's nuclear program. Strikes on other targets may also be seen as part of a "justified" response.

It is possible in this scenario that not all nuclear-related targets would be eliminated and the DPRK could retaliate in some fashion. Thus, the risks of U.S. strikes on selected targets in the DPRK would be very high. Even if this course of action was based on highly credible evidence, accompanied by statements about both the limits of the purpose and extent of the strikes and the open-ended nature of further strikes should the North retaliate, the effects on Sino-American relations could be serious if China saw the net result to be a degradation of its security.

U.S.-ROK relations would definitely suffer in this scenario and Beijing would be expected to make common cause with Seoul in a way that could seriously, perhaps fatally, weaken the alliance over time (if the strike had not already done so). This would not necessarily affect PLA planning or deployments in a significant way. The United States is already reducing its presence in South Korea. While Chinese concerns about possible basing of U.S. strike aircraft in South Korea would be reduced by the weakening of the alliance, announced ROK limitations on the American use of South Korean bases has most likely already made the alliance a relatively peripheral aspect of PLA planning.

As mentioned earlier, a North Korean collapse scenario would send tremors through Zhongnanhai and could lead to certain PLA deployments, including those across the DPRK border to defend China's interests from within the DPRK. However, as discussed above, well-managed responses by all concerned should be able to contain reactions to avoid confrontation.

Economy and Energy

An economic nosedive, not just in China but globally (especially in the United States), could have enormous implications for security relations in the region and hence for all the militaries concerned, including the PLA. Under these circumstances, it would be incumbent upon all to exercise restraint and communicate clearly. That said, it is in everyone's mutual interest to resist the most extreme beggar-thy-neighbor types of reactions and, unless particular countries were at loggerheads for other reasons, to focus on cooperative rather than competitive measures.

Still, the PLA will probably not take an extraordinary budgetary hit anytime soon. Beijing would continue to place a high priority on signaling that it is not vulnerable, even at a time of economic distress, and that no party—especially the United States, Japan, or Taiwan—should seek to take advantage.

Energy demand will also be a long-term issue that has the potential for cutthroat competition, on the one hand, and for cooperation in times of emergency, on the other. Whether over the next ten or fifteen years China can be brought into an integrated relationship with the International Energy Agency (IEA) remains to be seen. Membership seems unlikely, since the IEA is made up of only Organization for Economic Cooperation and Development (OECD) member countries. But there has already been considerable contact; an October 2006 workshop in Beijing produced a brief statement that highlighted the fact that “the Chinese government places great importance on its exchanges and cooperation with the IEA in the energy field, particularly regarding oil security and oil reserves.”¹⁸

SLOC protection is, of course, another matter. But over the period under consideration, it seems likely that the PLA will only be able to

produce between token and minimal protection and will still depend heavily on U.S. forces for this purpose. Should bilateral relations turn sour, Beijing would no doubt accelerate not only the provision of some naval forces for this purpose, but perhaps even the current development of alternative land transportation routes for oil.

ALTERNATIVE SECURITY FUTURES IN NORTHEAST ASIA

Putting all of this together, at one extreme one could posit a hostile U.S.-PRC relationship with Washington perceived as supporting indefinite separate status for Taiwan (perhaps even going beyond that to press for far greater international standing, though perhaps short of full sovereignty) and generating continued pressure on China for its human rights and legal deficiencies. U.S. alliances, especially with Japan, could be increasingly geared to confronting China not just over a cross-strait contingency but with regard to any effort by Beijing to expand its military reach. In addition, a global economic downturn could drive governments to abandon all pretense of international cooperation, even at a high cost, and focus on satisfying protectionist sentiments, however self-defeating that might be in the long run. Finally, a terrorist attack could be seen as stemming from faulty policies of the party attacked—for example, a PRC crackdown on Uighurs that generated cross-border terrorist activity—leading to mutual recriminations rather than mutual support.

A rather happier scenario, at the other extreme, is one in which the Taiwan issue, although perhaps not permanently resolved, is in a state of equilibrium with both sides satisfied with a vibrant status quo; tensions in Sino-American relations—and mutual strategic suspicions—have largely abated (importantly though not solely as a result of the evolved Taiwan situation); Japanese relations with China are thriving even though aspects of national competition still exist; the Korean Peninsula has sorted itself out one way or another with the DPRK no longer seen as a threat; and the American alliance system is intact alongside a growing emphasis on cooperative security relations through multilateral mechanisms, with a rich pattern of cooperation having emerged across the board on counterterrorism, energy management, and deepening, more balanced trade and investment relations.

Of course, the reality will rest somewhere in between. However, the nature of international relations, including the increasing institutionalization of various global economic, political, and security-related regimes, will push the reality more in the direction of the optimistic scenario than the gloomier one. National loyalties, even *nationalism*, will not go away; indeed such phenomena may grow. But this is not necessarily inconsistent with a realization that determined “one-upping” of others is not the optimal approach. Unless others are seen as determined and capable of harming one’s own interests, cooperation rather than confrontation should be adopted as the wiser course.

IMPLICATIONS FOR THE PLA

As noted earlier, the PLA will continue to modernize in terms of both equipment and technology. In addition, the PLA will continue to command a significant portion of the budget on the general grounds of protecting and promoting China’s national interest, even if a particular focus (e.g., Taiwan) no longer requires the same priority level of attention.

But even in the most optimistic scenario, and no matter how smoothly relations are developing across the strait or between Washington and Beijing, PRC leaders will be unwilling to forego a deterrent capability against Taiwan independence and U.S. intervention in a Taiwan contingency. While China will not allow itself to get into a debilitating and ultimately unwinnable tit-for-tat arms race with the United States, Beijing will want to continue to develop capabilities to thwart any U.S. instinct to use pressure tactics, however remote that might seem in an era of better relations.

An end-of-hostilities agreement with Taipei would lead to some significant refocusing of PLA priorities and redeployments. Not only would shorter-range missiles be pulled back, they would likely be reduced in number. If trends continued to be positive over time, the recent emphasis on landing craft would also likely ease.

However, electronic and information warfare techniques would still be honed, a wide variety of increasingly capable surface ships and submarines would continue to be introduced into the fleet, faster and more versatile aircraft would be acquired, and medium- and long-range missiles of different varieties would continue to have an important place in the

arsenal. Moreover, the PLA would in any case accelerate its vigorous military-to-military activity, in a ceremonial and exercise mode in order to bolster overall relations with others as well as create space for shoring up China's specific security interests.

The variations from different scenarios could be significant, but lead times will be great enough for China to adapt and for others to react in turn. In the meantime, however, given current trends, one should anticipate neither a sharp acceleration nor a sharp decline in current activities. There may be discontinuities as technological advances permit them, and the United States should not be complacent about its current lead in any area. However, the U.S. military and the PLA should take into account how any individual step or cluster of steps will appear on the other side of the Pacific and what contribution they make to perceptions of enmity versus cooperation.

In principle, hedging is not a containment strategy, but a prudent approach to future uncertainties, even though China's current behavior is, as one observer notes, "decidedly more risk averse than that of the United States."¹⁹ That said, the way hedging is carried out can have a major impact on the PRC's own responses.

In other words, much of what the future will look like, and how the PLA will view and react to it, is in U.S. hands; that should be an important factor in any decisions Washington takes.

NOTES

1. Jonathan Pollack puts it this way: "Any characterization of an 'Asian security order' . . . is a major oversimplification . . . [and] expectations of a cooperative security order seem equally premature." "The Transformation of the Asian Security Order" in David Shambaugh, ed., *Power Shift: China and Asia's New Dynamics* (Berkeley, Calif.: University of California Press, 2006), pp. 331–2.
2. The complex Chinese attitudes toward the alliance, including its relationship to Taiwan, are analyzed by Thomas J. Christensen "China, the U.S.-Japan Alliance, and the Security Dilemma in East Asia," *International Security*, 23, no. 4 (Spring 1999): 49–80. Alastair Iain Johnston also addresses that relationship in a broader regional context in "China's International Relations: The Political and Security Dimensions," in Samuel S. Kim, ed., *The International Relations of Northeast Asia* (Lanham, Md.: Rowman & Littlefield, 2004), p. 78ff.

3. Discussing this point in an even broader East Asia context, two Chinese scholars note that “China realizes that the U.S. presence in the region is useful to some extent, and that the U.S. security umbrella makes regional states more comfortable in dealing with China.” Zhang Yunling and Tang Shiping, “China’s Regional Strategy” in Shambaugh, *op. cit.*, p. 53.
4. Michael D. Swaine observes, “One of the primary goals of modern Chinese nationalism has been for the Chinese state to develop a sufficient level of military power to deter future aggression by other states, to support China’s long-standing desire to achieve national wealth and power, and to attain international recognition and respect as a great nation.” Swaine discusses in some detail the likely capabilities that the PRC will seek to develop in terms of its overarching national security objectives. “China’s Regional Military Posture” in Shambaugh, *op. cit.*, pp. 266–72.
5. One effort to mend fences was the Bush-Roh Moo Hyun summit in November 2005, which produced a joint statement full of upbeat sentences (“Joint Declaration on the R.O.K. –U.S. Alliance and Peace on the Korean Peninsula,” Office of the Press Secretary, White House, November 17, 2005. Available online at <http://www.state.gov/p/eap/rls/ot/57075.htm>). The lack of a common vision about the alliance’s longer-term purposes on the peninsula and in the region, however, represents an underlying vulnerability.
6. Wang Jisi and Xu Hui, “Pattern of Sino-American Crises: A Chinese Perspective,” in Michael D. Swaine and Zhang Tuosheng, eds., *Managing Sino-American Crises* (Washington, D.C.: Carnegie Endowment for International Peace, 2006), p. 139.
7. Michael D. Swaine, “Trouble in Taiwan,” *Foreign Affairs* 83(2), March–April 2004, available at <http://www.foreignaffairs.org/20040301faessay83205/michael-d-swaine/trouble-in-taiwan.html>.
8. Michael A. McDevitt lays out in depth the U.S. defense perspective on China’s growing power. See Michael A. McDevitt, “The China Factor in Future U.S. Defense Planning” in Jonathan D. Pollack, ed., *Strategic Surprise? U.S.–China Relations in the Early Twenty-first Century* (Newport, R.I.: Naval War College Press, 2004), pp. 149–57.
9. In discussing the specific question of the connection between threats to internal security and external behavior, M. Taylor Fravel presents a persuasive argument that, at least in China’s case, but likely well beyond China as well, internal insecurity leads to cooperation and delay over external disputes, perhaps even compromise, not confrontation. As he puts it, internal problems create incentives for “diversionary peace” rather than diversionary war. Fravel makes the point that compromise on certain core sovereignty issues (e.g., Taiwan) is unlikely, however. See M. Taylor Fravel, “Regime Insecurity and International Cooperation: Explaining China’s Compromises in Territorial Dispute,” *International Security*, 30, no. 2 (Fall 2005): 46–83.

10. David Shambaugh discusses specific PLA's requirements regarding Taiwan in "China's Military Modernization" in Ashley J. Tellis and Michael Wills, eds., *Strategic Asia 2005-06: Military Modernization in an Era of Uncertainty* (Seattle, Wash.: The National Bureau of Asian Research, 2005), pp. 68-69.
11. Of course, if Sino-American relations were in very bad shape, one could conceive of proposals to block unification. But even at a time of great U.S.-PRC enmity in the 1950s, Dean Acheson had the wisdom not to support Taiwan independence in an effort to avoid becoming the center of an irredentist controversy. It is hard to conceive of a circumstance in which an American leader would adopt a different position unless the entire relationship with China were in turmoil, in which case Taiwan would be but one aspect of a dramatically deteriorated strategic picture, and unification would not likely be an active issue.
12. No one could draw up a new constitution in Taiwan today that included references to the theoretical links that tie the island to the mainland as the current constitution does. Amending the constitution in some way would allow the drafters to finesse that issue by simply ignoring those provisions. But drafting a totally new document, as Chen proposed in late September 2003, would eliminate that possibility.
13. This narrower focus was most clearly seen in the May 17, 2004 "authorized statement" of the State Council and Communist Party Taiwan Affairs Offices as well as in the March 2005 "Anti-Secession Law." It has also been pointedly referred to since then by senior PRC officials. Indeed, the scope of highest concern has been even further narrowed. It has moved from the broad concept of "independence" to the rather loose term "*de jure* independence" and finally to the highly focused issue of "*de jure* independence through constitutional change." Moreover, whereas Beijing used to object to any change in the 1947 "Republic of China" constitution on the grounds that amendment inevitably moved Taiwan further in the direction of a new national identity, in fact the PRC's "red lines" no longer relate to all constitutional changes, but only to those that would be seen as touching on sovereignty or questions of independence versus unification.
14. David Shambaugh looks in some detail at the issue of the "de facto encirclement" of China. See David Shambaugh, "China's Military Modernization" in Tellis and Wills, *op. cit.*, p. 73ff.
15. Zhang Yunling and Tang Shiping, "China's Regional Strategy," *op. cit.*, p. 55.
16. This transformation is explored in depth by Benjamin L. Self, *The Dragon's Shadow: The Rise of China and Japan's New Nationalism* (Washington, D.C.: The Henry L. Stimson Center, November 2006).
17. The Japan Defense Agency (since transformed into the Ministry of Defense) reported in late 2006 that PLA naval vessels spotted in the East China Sea and sea areas near Japan numbered six in 2004, four in 2005, but none in 2006. Maritime exploration ship activity in the Japanese Exclusive Economic Zone (EEZ) had also dropped

off sharply, from eighteen occasions in 2004 to none in 2006. Moreover, the Air Self-Defense Force had scrambled to guard against Chinese intrusions into Japanese airspace thirteen times in 2004, 107 times in 2005, but only once in 2006. ("PRC Military Vessel Activities Slow Down in East China Sea; Anti-Japanese Moves Suppressed?" *Sankei Shimbun*, 4 November 2006 (translated by Open Source Center, JPP20061106026001).

18. "China-IEA Joint Workshop on Oil Security, 30 and 31 October 2006, Beijing," statement available at <http://www.iea.org/Textbase/work/2006/Jointchina/jointstatement.pdf>. Other information on IEA's outreach to China can be found at <http://www.iea.org/Textbase/subjectqueries/nmc/china.asp>.
19. Jonathan D. Pollack, "Sino-American Relations in the Early Twenty-first Century" in Pollack, ed., *Strategic Surprise? op. cit.*, p. 19.

