

THE STRUGGLE FOR POWER IN THE INDO-PACIFIC

For the foreseeable future, stability in the Indo-Pacific rests on the degree to which the United States continues to forward and base hundreds of thousands of its military forces, along with ships, submarines, and fighter planes. A precipitous U.S. withdrawal would certainly lead to unforeseen effects in a region rife with unresolved disputes and few mature working relationships. The result of a breakdown in relations would almost certainly cause economic disruption and possibly lead to wider global conflict. In more ways than one, then, the Indo-Pacific will determine the future of global peace and prosperity for decades to come.

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sia will be clearly a priority and we will adjust our operations accordingly.” So stated Admiral Jonathan Greenert, the new Chief of Naval Operations for the U.S. Navy, in one of his first public appearances since taking over the top position in the Navy in September 2011.

Just days later, his words were repeated by U.S. Secretary of Defense Leon Panetta, on his first official visit to the region. As American forces withdraw from Iraq by the end of 2011, and continue to drawdown in Afghanistan, U.S. policymakers in Washington, D.C. are turning their full attention to the challenges of maintaining American influence in the Indo-Pacific region.

The Indo-Pacific is and will remain the most dynamic region on earth. Indeed, global trends are pulling America eastward. During the decades after World War II, the Cold War, the United States naturally considered Europe to be the nation’s primary national-security concern, despite U.S. involvement in proxy wars around the globe. After the Soviet Union peacefully dissolved in 1991, Washington’s focus moved to the Middle East, spurred by Saddam Hussein’s invasion of Kuwait. The following decade saw American involvement in that region slowly deepen, as al-Qaeda and Islamic terrorism generally impinged more and more on U.S. interests, culminating in the global war on terror from 2001 onward. Now, with the end of combat engagement in the Middle East, America is being drawn farther east, to the Indo-Pacific region.

Obviously, during each of these periods, Washington remained engaged around the world, dealing with multiple crises in the Middle East during the Cold War and confronting Chinese assertiveness during the 1990s and in the months just before 9/11. But during each of the post-WWII periods, there was a broad national consensus on the key threats to America’s safety and the key opportunities for its prosperity, and Europe and the Middle East dominated national-security thinking throughout. In the coming Indo-Pacific era, the U.S. will not abandon its commitments to the Middle East, and will have to deal with a potentially nuclear-capable Iran, possible European economic collapse, and continued terrorist threats. But the new U.S. consensus will undoubtedly center on the opportunities and threats that Asia poses to America’s future.

The Indo-Pacific region stretches from the Indian Ocean to the Western Pacific. It contains over half of the world’s population, including India and China, the two most populated countries; the world’s largest democracy, in India; two of the largest economies, in China and Japan; and at least three nuclear-capable powers. The struggle for democracy and liberalism has made extraordinary strides in the Indo-Pacific over the past several decades. The region has been anchored by Japan, Australia, and India, and countries ranging from South Korea to Taiwan, Mongolia, and Indonesia either have become full-fledged democracies or are continuing their

liberal political evolution; others, such as Thailand and the Philippines, struggle with democratic stability.

The Indo-Pacific is the world's economic engine and is responsible for the bulk of global consumer production. Both China and India have seen regular annual economic growth around ten percent for the past decade or more, although both are beginning to slow down a bit. The Indo-Pacific remained the one major region of the globe to withstand the 2008 economic crisis and, with the exception of Japan, to recover fairly quickly what ground it had lost due to a collapse of export markets around the world. With a growing middle class in the hundreds of millions stretching from India through China to Japan and Korea, it is also one of the primary growth markets for global exporters. Already, the region accounts for close to two trillion dollars in trade in goods and services with the United States. The U.S. Chamber of Commerce calculates that around 11 million U.S. jobs depend in some fashion on trade with the broad Asian region. The rest of the world is similarly tied in to Indo-Pacific supply chains, consumer production, and, increasingly, financial interests.

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The growth of the Indo-Pacific region, while beneficial to consumers, nonetheless poses significant challenges for future economic stability. China's energy consumption has doubled since 2000, and it accounted for 78 percent of the global increase in the use of coal in the past decade. Japan is the world's third-largest consumer of energy, behind China and the U.S., while Korea clocks in at number eight. All of these countries are dependent on imports. The long-term economic expansion in Asia not only will put increasing pressure on global energy prices in coming decades, but has implications for the security of maritime transport routes, port safety, terrorism, and regional conflict over potential energy resources. Such conflict has spiked in recent years, with conflicting claims over territory in the East and South China Seas that holds oil and natural-gas reserves.

Given the economic importance of the Indo-Pacific region, one might expect that Asian countries which have benefitted greatly from the economic boom of the past two decades would also work to reduce the tensions between them, thereby, further propelling economic cooperation. Yet, in reality, the Indo-Pacific is an area of endemic security tension and worse, increasing uncertainty. To begin with, it

boasts the world's largest militaries. China, Japan, South Korea, and Australia have sophisticated, modern air and naval forces, while developing countries such as India, Indonesia, and Vietnam are buying new submarines -and, in the case of India, new ships and fighter jets as well. North Korea maintains a million-man army and an active nuclear and ballistic-missile program. Over 40,000 U.S. troops remain permanently based in the Indo-Pacific, and the majority of U.S. aircraft carriers, destroyers, and submarines are either in the Indo-Pacific region or based on the West Coast of the U.S. In coming years, the U.S. will likely base a larger percentage of its bomber and fighter fleet in the Pacific region, as indicated by Admiral Greenert in October.

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From the perspective of many Indo-Pacific nations, the driving force behind much of the security tension and the growth of militaries today is China's military buildup. For more than a decade, Beijing has increased its military budgets by more than ten percent each year and has rapidly developed from an unsophisticated, self-defense army to the region's largest and most powerful military. The

Chinese Navy now has the world's largest number of submarines, and has shown that it can carry out operations thousands of miles away from Chinese shores. Its Air Force is buying or building hundreds of advanced fighters, many based on Russian models. Chinese ballistic missiles can reach any nation in Asia, and the United States.

Moreover, China is actively developing military capabilities to reduce America's qualitative superiority and effectively target U.S. bases and forces in Asia, in the hope of creating an environment in which U.S. forces will be challenged from accessing the region and operating freely within it. Among the programs especially worrisome to U.S. military planners are the DF-21 anti-ship ballistic missile, which is designed to track U.S. large ships at sea; the J-20 stealth fighter, which could reduce the edge of stealthy U.S. F-22s and future F-35s; the growing submarine fleet, which now numbers over 70; and ongoing anti-cyber programs, designed to attack the networked structure of America's defense machine.

What is driving such spending on the part of China and other nations? In part, it is due to the natural rise of China as a great power. All rising powers build larger militaries, designed not only to protect their interests, but also to increase their influence both regionally and globally. The only great power not to do so in recent

history was Japan, which was hampered both by an anti-war Constitution but also by its long-standing security alliance with the United States. By historical lights, however, China's development is both rapid and destabilizing, as it has chosen to invest in weapons systems that allow it not simply to protect itself, but to project power out into the Indo-Pacific region and to potentially deny the United States access to a large swath of the globe's surface. China's military growth has deeply worried its smaller regional neighbors and is the cause for much of their own defensive buildup.

Another reason for the increased spending by China and other Asian states, however, is the unsettled geopolitical conditions of the Indo-Pacific. Unlike in Europe or the Americas, the Indo-Pacific is rife with territorial disputes; on top of that are long-standing historical distrust and ethnic tensions. Most pertinently for today's conditions, however, is the number of seemingly irresolvable territorial problems. Major disputes include that over Taiwan's sovereignty and the divided Korean peninsula. Just as intractable are the numerous island rivalries, such as the Spratleys and Paracels in the South China Sea, the Senkakus/Diaoyutai in the East China Sea, and the Takeshimas/Dokdos in the Sea of Japan. Other land disputes include parts of Arunachel Pradesh between India and China.

Of these, the South China Sea is receiving the most attention, due in large part to the global strategic significance of the sea lanes passing through the Malacca Strait into the sea and continuing up to China, Korea, Japan, and Russia. Beijing has claimed the entire South China Sea as its territory, notwithstanding that the Spratleys themselves are claimed by Taiwan, Vietnam, Malaysia, Brunei, and the Philippines, in addition to China. Each country claims an exclusive economic zone around their territories, and rich deposits of oil and natural gas make the entire South China Sea an area in which economic, political, and military interests intersect. In recent months, Chinese maritime patrol vessels have confronted the ships of other nations, Vietnam and the Philippines, especially, and even challenged the right of an Indian Navy vessel to be in the waters off Vietnam. China's demands that its neighbors settle South China Sea territorial disputes individually with it has raised tensions and even brought in the United States. In July 2010, U.S. Secretary of State Hillary Clinton stated that a peaceful resolution of these disputes was in the American "national interest."

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The tensions reverberating throughout the Indo-Pacific are not likely to go away anytime soon. In fact, they are likely to increase in the coming years. With the United States worried about its relative decline and looming billion dollar cuts to the defense budget, nations in the region are anxiously planning how to respond to a China that seems more inclined to push its claims than try to come to an accommodation with its neighbors. Perhaps most worryingly, the United States and China are increasingly distrustful of each other, and more regularly flex their military muscle along with issuing vague warnings to each other not to interfere with their freedom of action. Beijing appears to be confident of its long-term position and is willing to continue to probe and push at America's position, such as by harassing U.S. Navy ships conducting oceanographic research.

The great worry of U.S. policymakers is that China will make a miscalculation, forcing some type of confrontation with the U.S. Navy or American allies. This fear came to the surface last year, when China and Japan faced off over the Japanese seizure of a Chinese fishing boat in the disputed waters off the Senkaku Islands. Tokyo requested that Washington clarify that any Chinese threat against the Senkakus would be covered by the mutual assistance clause of the U.S.-Japan security treaty. While Secretary of State Clinton reportedly gave the Japanese private assurances, the U.S. national security establishment sought mostly to have Beijing and Tokyo settle the issue without U.S. involvement.

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Yet one day, Washington may feel that a Chinese action puts American credibility on the line. For over sixty years, the United States has assumed that its unassailable position would allow it to act as the ultimate guarantor of regional stability. It has done this at least twice over the Taiwan issue: once during the Chinese shelling of Taiwanese islands during the 1950s and most recently in 1996, when the Clinton Administration sent two U.S. aircraft carriers to the Taiwan Strait in response to Chinese test missile launches near Taiwan during the island's first free presidential election.

Now, however, Washington policymakers are worried that they may not have the capacity to intervene in a major dispute. This would undercut America's

credibility with its allies and its global position. Some in Asia might welcome this, while others would certainly feel more insecure. The real issue, however, is that with all the distrust and festering disputes in the Indo-Pacific, it is very uncertain whether stability would automatically be maintained or whether states, particularly China, would seek to increase their spheres of influence and bully their neighbors. The result could be a massive destabilization of the Indo-Pacific region over any number of disputes or misunderstandings.

Unfortunately, there are few states that can influence the outcome of events. European states, particularly Great Britain, have purely commercial interests in the Indo-Pacific, while NATO as a whole would be incapable of committing forces to help maintain stability in the region. Most of the unaligned states, such as those in the Association of South-East Asian Nations (ASEAN) group, are worried the United States will reduce its presence in the region, but they are also equally concerned that Washington may ask them to do more to contribute to regional security in ways that may cause them to clash with China.

This leaves China, the United States and its allies, and India as the three points of concentration in Asia. With no mechanism among the leading states for resolving disputes, little trust, and uncertainty about the future, it will be up to responsible policymakers in each state to balance their national interests against the larger stability of the region. From most perspectives, then, stability for the foreseeable future rests on the degree to which the United States continues to forward and base hundreds of thousands of its military forces, along with ships, submarines, and fighter planes. A precipitous U.S. withdrawal would certainly lead to unforeseen effects in a region rife with unresolved disputes and few mature working relationships. The result of a breakdown in relations would almost certainly cause economic disruption and possibly lead to wider global conflict. In more ways than one, then, the Indo-Pacific will determine the future of global peace and prosperity for decades to come.