

Overview

East Asia in 2004

1. Responses to New Threats

After riding out the 1997 currency and financial crisis, East Asian economies have steadily recovered since 2000. The economic development that followed helped underpin regional stability. Cooperation among the countries in the region has increased in the course of the struggle to tide them over the financial crisis, and various mechanisms that promote self-help and mutual assistance have been strengthened.

However, the security environment in East Asia as it stands now gives no grounds for optimism. A number of internationally important maritime trade routes, such as the Malacca Strait and the Singapore Strait, run through this region, and maritime traffic passing through these routes has increased sharply as economic interdependence has grown stronger. Meanwhile, the number of pirate attacks in the areas surrounding the Malacca Strait has been on the rise since the currency crisis. The occurrence of coordinated attacks mounted simultaneously on ships in this area shows that piracy has begun to take on the characteristics of organized crime. These acts of piracy have become a serious threat to the safe passage of ships.

Maritime terrorism has also put the region on alert. In Southeast Asia, there is the Jemaah Islamiyah network, which has links with al-Qaida and is engaged in atrocious terrorist activities. Terrorist threats still remain unabated. In February 2004, a ferry was bombed in Manila Bay by members of the Abu Sayyaf. In March 2003, pirates seajacked and steered a tanker for about an hour in the waters surrounding the Malacca Strait in what is suspected to have been a training exercise for learning to steer a ship. These incidents have spread the fear that pirates working in concert with terrorists might seajack petrochemical or liquefied natural gas tankers in the waters surrounding the Malacca Strait and attack port and harbor facilities in the area. If the maritime trade routes in this region were closed due to terrorist attacks and serious damage was caused to the port and harbor facilities there, the terrorist activities would not only cause casualties and damage but would also seriously affect the development of the world economy. This awareness has raised the necessity for the international community to strengthen maritime security measures.

The question of how to stop the traffic of weapons of mass destruction (WMD), missiles and WMD-related materials and equipment through the maritime trade routes has taken on critical importance. The international community has introduced measures to strengthen control of the navigation of

ships and their cargoes. On the nonproliferation of WMD and related materials, new initiatives—such as United Nations (UN) Security Council Resolution 1540 and the Proliferation Security Initiative (PSI)—have been introduced. Resolution 1540 demands UN Member States to take and enforce effective measures to ensure domestic control over WMD and related materials by tightening control over their export. Though lacking any provisions for penalties and sanctions on nonfulfillment states, the resolution, based on Chapter VII of the UN Charter, can be seen as preparing the ground for taking some sort of enforcement measures where the situation so warrants. The PSI is aimed at impeding and stopping the land-, sea-, and air-borne transport and transfer of WMD and related materials, and is expected to complement the existing export control regimes such as the Nuclear Suppliers Group and the Australia Group as well as the measures taken by UN Member States under Resolution 1540. To make PSI activities effective, it is essential to share WMD-related information among its members.

However, many countries in East Asia are not very keen on these initiatives. Japan and Singapore are just about the only countries in the region that actively participate in the PSI as members of its core group, and China and South Korea have yet to join the scheme. Acquisition and use of WMD and related materials by states of proliferation concern or terrorist organizations are posing a serious threat to the security of this region. Japan has been an active participant in PSI activities that were proposed to help cope with such new threats. It has also been strengthening cooperation with Asian countries in their efforts to enact national laws designed to check the proliferation of WMD and related materials. Toward the end of October 2004, Japan hosted a three-day maritime interdiction exercise in the waters off Sagami Bay and in Yokosuka Port, intercepting vessels suspected of carrying WMD and related materials. Navies, coast guards and customs authorities of the United States, France, and Australia participated in the exercise. The Mid-term Defense Program (FY2005–FY2009) (hereinafter referred to as “the new MTDP”) adopted by the Security Council of Japan and the cabinet on December 10, 2004, states that Japan will proactively participate in international activities such as those under the PSI. In order to effectively check the proliferation of WMD and related materials in East Asia, Japan must appeal further to Asian countries for their cooperation in this common task by making utmost use of the experience and ideas it has gained from these activities.

2. Persisting Factors of Uncertainty in the Region

Along with these new threats, long-standing elements of instability unique to East Asia still linger on. Development and proliferation of nuclear weapons and ballistic missiles by North Korea is posing a serious threat to this region and the international community. There is no immediate prospect for peaceful resolution of the issue through the Six-party Talks. In an attempt to obtain through nuclear-backed diplomacy assurance of its security from the United States and economic assistance from all the parties, North Korea has been refraining from acts, such as nuclear testing, that are likely to forfeit chances of negotiation. However, as North Korea has refused to attend the Six-party Talks since August 2004, this process has been stalled. Although North Korea has pronounced the denuclearization of the Korean Peninsula as its final goal, the term “denuclearization” does not cover a civil nuclear program, and it has persistently rejected the idea of the complete, verifiable, and irreversible dismantlement (CVID) that the United States has been demanding. North Korea is reportedly in the process of developing new ballistic missile systems with an estimated range of 3,000–4,000 kilometers. They are presumably based on the former Soviet Union’s SS-N-6 submarine-launched ballistic missiles, and some reports suggest the US government’s concern that the North Koreans might launch these missiles using small commercial vessels approaching the US coastline. For Japan, the issue of the abduction of its citizens by North Korea is also a crucial issue. Despite the fact that Kim Jong Il has acknowledged that these abductions were the work of persons affiliated with North Korea and offered his apologies, North Korea’s responses have so far remained extremely insincere.

Since President Hu Jintao took to the helm, the Chinese government has been pursuing active diplomacy following its “peaceful rise” theory. China considers “nontraditional security problems” as a challenge facing the international community as a whole. It has begun to signal increasing willingness in joining cooperative efforts for international security and has come to promote “military diplomacy.” In June 2004 an Executive Committee of the Regional Anti-terrorism Structure was established under the Shanghai Cooperation Organization, whose members also conducted a joint counterterrorism military exercise in September 2004 as they had in 2003. China also proposed to convene a Security Policy Conference within the ASEAN Regional Forum, and its first meeting was held in Beijing in November 2004.

Meanwhile, China has been pressing ahead with programs for the modernization of its nuclear and missile forces. China's naval and air forces are also in the process of modernization. Moreover, the situation surrounding the Taiwan Strait has grown increasingly unpredictable. Seemingly in response to the potential volatility in the Taiwan Strait, the People's Liberation Army (PLA) is stepping up the modernization of its equipment, organization, and training. Of particular note is the fact that the PLA has been frequently conducting "joint" (*yitihua*) training with a focus on the use of armed forces against Taiwan and blocking US military intervention. On its part Taiwan has been modernizing its military to compete with China. However, it is not clear whether Taiwan's opposition alliance, which won a majority in the recent Legislative Yuan (legislature) election, will pass the government's budget bill for the procurement of large military equipment such as submarines. This makes it even more difficult to read in which direction the cross-strait military balance might swing in coming years.

3. East Asia and Alliances on the Move

In response to the coexistence of new and conventional threats, the United States is pressing ahead with programs for the transformation of its military forces. While continuing the war on terrorism, the Bush administration has been undertaking a thorough review of its Cold War-legacy military posture that the United States had maintained throughout the 1990s, from two perspectives. One is "defense transformation." Shifting force planning from the "threat-driven" model to a "capabilities-based" approach, it is designed to transform the US military into a flexible force, with joint rapid-deployment and expeditionary capabilities. The other is called the global posture review, which intends to recast the global deployment of US forces in light of the new security environment that has emerged in the wake of the terrorist attacks on September 11, 2001. The United States is thus trying to slough off the Cold War-legacy military posture.

As the United States started moving toward a realignment of its forces in South Korea, there has emerged a change in South Korea's military posture. While assessing that its military buildup since 1974 enabled the country's military capability to reach a level strong enough to repel an armed invasion by North Korea, the Ministry of National Defense recognizes that South Korea is heavily dependent on the deterrence provided by the US Forces Korea. This is

said to provide a background to the “cooperative self-reliant defense” policy advocated by the government of President Roh Moo-hyun, and his administration is currently in the process of articulating this policy. With regard to the review process of the Republic of Korea (ROK)-US alliance, the two countries have agreed to initiate a series of ROK-US Security Policy Initiative meetings in lieu of the Future of the ROK-US Alliance Policy Initiative meetings. In this new setting, the two countries might start discussions on topics that have not been provided for in the previous arrangements, such as the role to be played by the alliance outside the Korean Peninsula.

To respond to the new security environment, the Japanese government has adopted the National Defense Program Guidelines, FY2005– (hereinafter referred to as “the new NDPG”) and the new MTDP at the Security Council and the cabinet meeting on December 10, 2004. The new NDPG defines future defense buildup as one designed to respond effectively to the new threats and diverse situations that might affect peace and security, and to make efforts proactively and on its own initiative for the improvement of the international security environment. The new MTDP outlines the fundamentals of a defense buildup program for the next five years to fulfill the diverse roles of the Self-Defense Forces (SDF) stipulated in the new NDPG. It also reviews the organization of the SDF’s three services, and prescribes major plans related to SDF capabilities. Given the increasing weight of restraining factors—such as tightening fiscal conditions and decreasing youth population—how to realize a “multi-functional, flexible, and effective” force mandated by the new NDPG will pose a crucial challenge. The close relations Japan enjoys with the United States thanks to the Japan-US alliance have been playing a critical role in effectively promoting the global efforts to prevent and deal with new threats posed by terrorism and ballistic missiles. In addition, the new NDPG makes it clear that Japan will proactively engage in strategic dialogue with the United States on wide-ranging security issues, such as role-sharing between the two countries and the US military posture including the structure of US forces in Japan.

Moreover, the new NDPG states that Japan’s basic security policy is to improve the international security environment through a combination of three efforts—its own efforts including the defense buildup, cooperation with its allies, and cooperation with the international community. In East Asia, regional cooperation towards an East Asian Community (EAC) on the basis of the

framework of ASEAN+3 (Association of Southeast Asian Nations member countries plus Japan, China, and South Korea) is making headway, and Japan is expected to play a leading role in this collective effort. Therefore, it is necessary for Japan to actively promote East Asian cooperation for the realization of an EAC and to explore the way in which US involvement in East Asia can be best framed in the interests of the region as a whole. Viewed from this standpoint, the role to be played by Japan as a crucial US ally and as the pivot of an EAC is highly important. As such, Japan should work to achieve a strategic convergence of US alliances in the region and a future EAC.