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The Changing East Asian Security Landscape

Challenges, Actors and Governance

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East Asia's Security Architecture and the Role of the United States and Other External Actors—an Introduction

Howard Loewen and Stefan Fröhlich

While East Asia[1] gradually turns into the economically most important region worldwide, security risks seem to be increasing not diminishing. Besides traditional security issues, such as the Taiwan question, the strained relations between North and South Korea as well as North Korea's unpredictable external politics, maritime conflicts between China and some ASEAN (Association of Southeast Asian Nations) members in the South China Sea as much as between Japan and China about a group of islands in the East China Sea are also increasingly matters of concern. Moreover, facing a military rising and increasingly assertive China, not only traditional allies and strategic partners of the United States such as Japan, South Korea, Philippines, Thailand and Singapore but also new potential allies such as Vietnam, Malaysia, Indonesia, and even Myanmar are asking the US to play a larger role in the regional security architecture in East Asia (while Thailand, isolated by the West after the 2014 coup seems to be shifting toward China).

[1]We conceive of East Asia as a subregion of Asia that comprises Northeast Asia (China, Japan, South Korea, North Korea) and Southeast Asia (10 ASEAN member states and East Timor). The term Asia Pacific, which is also used by some authors in this special issue, encompasses East Asia, South Asia and Oceania.

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This East Asian demand for a sustained security role of the US manifests itself in different institutional formats. The signing of a Comprehensive Partnership Agreement between Vietnam and the United States in 2013 is a case in point. The agreement *inter alia* aims at fostering the defense and security dialogue between the long-time foes whose relations formally normalized only in 1995. Moreover, in 2014 the US and its longtime ally the Philippines have reached a 10-year agreement that will give American planes, warships and troops greater access to military bases in the archipelago. This agreement not only significantly increases the US military presence in the region, but also can be seen as a leverage of the Philippines to counterbalance China's military and para-military presence, especially in the South China Sea. In combination with economic agreements the security arrangements of East Asian states with the US constitute the main initiatives of the so-called US *pivot*, initiated by the Obama administration towards East Asia. It clearly signifies an economic and military reaction of the world's superpower to China's rise and the wish to confirm and even expand its role as a security stakeholder in the region.

The dominant security role of the US-led alliances with partners in the region as well as the regional efforts of East Asian states to manage the above mentioned security issues constitute the current East Asian "Security Architecture" which can be defined as "an overarching, coherent and comprehensive security structure for a geographically-defined area, which facilitates the resolution of that region's policy concerns and achieves its security objectives" (Tow and Taylor 2010). The current East Asian security architecture consists of bilateral and multilateral elements. As its stability is very much dependent on the political will of the US to maintain strong economic and military ties to its allies in the region, changes are likely to occur due to president Trumps unwinding of Obama's pivot to East Asia.

On the *bilateral level* "traditional" security alliances between the United States and its regional form the backbone. The respective treaties have mainly been established in the Cold War era—the US-Japan treaty concluded in 1953, the US-Philippines treaty of 1951, the US-Thailand treaty of 1954, the US-Republic of Korea treaty of 1951, and the Taiwan-US treaty concluded in 1979. These alliances were initially designed and developed to bind Japan and counter the spread of communism in the region. After the end of the Cold War the security arrangements changed their purpose. The US has provided and still provides East Asian states with hard power capabilities in order to counter China's military rise. This being said, the US remains the predominant military power in East Asia. Apart from the established security alliances there are less-binding military agreements such as the Memorandum of Understanding of 1990 between the United States and Singapore. Countries such as Indonesia, Malaysia and Vietnam are considered potential future strategic partners.

Security institutions or fora such as the ASEAN Regional Forum, the East Asia Summit, the ASEAN Defense Ministers Meeting (ADMM) and ADMM Plus form the *multilateral* component of this architecture or security governance system. The United States' willingness to go beyond its bilateral engagement is exemplified by its accession to the Treaty of Amity and Cooperation in 2009 and to the East Asia Summit in 2010, the accreditation of David Carden as America's first ambassador to ASEAN in 2011, and US-ASEAN Summit Meetings held on a regular basis since 2009. Moreover the US regard the Association of Southeast Nations as the most important institution in the respective regional governance system that has emerged in the issue-areas of economics and security. It also supports the establishment of the ASEAN community of which the economic community has already been initiated in December 2015.

Yet, with the new US administration decision to lessen American influence in East Asia, the continuing rise of China and a growing number of East Asian countries pivoting towards China structural changes within the current security architecture are likely to happen. It is obvious that the withdrawal of the Trump administration from the Trans Pacific Partnership agreement (TPP) has significantly curtailed the economic pillar of the US Pivot to East Asia and increased the likelihood of China filling the void in the interregional economic order. The self-proclaimed East Asian regional power has invested significant resources in its hard and soft power capabilities to underline its great power aspirations in Asia and in the world. Confronted with the Trump administration that moreover criticizes the "free-ride" mentality of East Asian partners in the security area, countries such as Cambodia, Myanmar, but also the long-standing ally Thailand continue pivoting towards China. The Philippines has already indicated that it is willing to intensify economic bandwagoning with China. Its newly elected populist president Duterte has furthermore announced that he intends to loosen military ties to the US. A paradoxical and thus non-intended "populist-alliance" between the US and the Philippines might therefore endanger the structural integrity of the security architecture and leave a strategical and security void which China is keen to fill.

Beyond the multilateral-bilateral dichotomy a complex network of security relations among East Asian actors that simply share worries over China's growing assertiveness throughout the last years and that also maintain formal or informal security links to the United States has emerged as a third pillar. Japan's strategic partnership with the Philippines (spoke-to-spoke alliance), Vietnam-Philippines security cooperation, Korea's middle-power security diplomacy towards India, Japanese-Indian security links as well as the quadrilateral initiative (US, Japan, Australian and India) are cases in point. It is very interesting to see how other

state actors such as India and (quasi state actor) European Union view and evaluate the latest developments in the East Asian security architecture and how they conceive of their role in this network.

Against this empirical background, this special issue would like to raise and discuss the following fundamental questions: How can we explain the existence and form of the current bilateral US-East Asian security alliances and the respective multilateral security regimes? What role does balancing play in the strategies of the states involved? How does balancing behavior vary in the bilateral and multilateral forms of security cooperation? How can these variances be explained? In other words: How do states in the current East Asian security architecture use bilateral and multilateral security institutions for their balancing strategies and how can we explain respective similarities and differences?

In order to answer these questions a discussion of the balancing-concept is appropriate. According to *neorealist* theory, the imperative of survival presupposes that the main functions of international institutions in general and the East Asian security governance system or architecture in particular are to provide balancing and/or bandwagoning opportunities for the states involved. While bandwagoning would imply that smaller and middle-sized states in East Asia would seek an alignment with China, balancing would refer to an alliance against the latter. Taking into account the risk of cheating, relative gains considerations are the main reason why states tend to balance rather than engage in bandwagoning behaviour. Cooperation is doomed to be a short-term phenomenon as your today's partner can be tomorrow's foe. Due to the ever growing complexity of regional cooperation in East Asia and security cooperation in specific—i.e. states may use a mixture of both bandwagoning and balancing—the traditional typology of neorealist cooperation possibilities has been adapted to to new empirical developments.

Focusing on various manifestations of balancing involves the following conceptual innovations: He and Feng define *hard balancing* as a means of "increasing the relative power of a state against a powerful and threatening state through internal domestic military build-ups and external balancing through military alliances" (He and Feng 2008, p. 365). This is a typical manifestation of neorealist balancing. Within the neorealist theory institutional or more liberal accounts of balancing such as "institutional balancing", "soft balancing" and "hedging" have gained more momentum. In the case of *institutional balancing* states establish new international or regional institutions, the reactivation of already existing institutions, and the restatement of institutional norms and procedures with the aim of changing the regional distribution of power. In contrast soft balancing and hedging

both encompass a military dimension: *Soft balancing* signifies "undermining the relative power of the strong and threatening state through bilateral and multilateral coordination among other states" (He and Feng 2008, p. 365). This form of balancing can be divided into "military soft balancing" which denotes arms trade with the adversaries of an antagonistic (rising) power and "non-military soft balancing" which implies strategic non-cooperation and economic sanctions (He and Feng 2008, p. 373). The concept of *hedging* combines soft balancing with an "absolute gains" and thus liberal perspective: on the one hand states engage in economic interactions with the source of danger and on the other hand they get involved in risk-reduction strategies through military upgrading, intensified defense cooperation and balancing a potential hegemon through diplomatic strategies.

Due to the fact that balancing in its various forms (hard/soft; realist/liberal) seems to be applied frequently by states in the region, this special issues seeks to identify and explain different manifestations of this foreign policy behavior across the East Asian region. The starting hypothesis of this special issue is thus that the regional governance architecture in East Asia enhances its members' ability to manage regional security problems over time. The topic of our special issue proposal deals with a highly relevant empirical issue as East Asian Security and the dynamics of the respective governance structure or architecture is not only of regional but of international concern. From a theoretical point of view the latest developments of this security architecture since the pivot to East Asia has been initiated need to be described and explained. This volume will do so by applying hypotheses derived from IR middle range theories (i.e. soft and hard balancing).

The senior scholars involved in the making of this book are renowned experts in their field. Their papers are based on talks given at an international workshop on the "Security architecture in East Asia" in December 2015 at the University of Erlangen-Nürnberg, Germany. The workshop was organized by the department of Political Science of the University of Erlangen-Nürnberg and the department of Asian and International Relations of the City University in Hong Kong. It was kindly financed by the Bayerisches Hochschulzentrum für China and the Vinzl-Stiftung of the University of Erlangen-Nürnberg.

In his article *Stefan Fröhlich* focuses on the general nexus between the US pivot and the regional security architecture in Asia. He argues that China's military modernization agenda is provoking those who take America's overwhelming military superiority in the Pacific for granted, especially in the United States and Japan. To many strategic planners in the US, preserving American primacy for the future thus requires to replace the concept of integrating China into the global

system by one that is balancing its rise and reinvigorating US core principles for national security, that is: prevent any threat of conventional and unconventional attacks on the US maintain the regional balance of power in Asia-Pacific through American leadership; prevent the use and proliferation of nuclear weapons and other WMD; and promote global prosperity. To follow these principles, the US invokes a security network that consists of three elements: One that focuses on joint U.S. military operations that optimize cutting-edge weaponry and technologies, the other involving greater strategic bilateral and intra-regional cooperation (with direct or indirect US support) with traditional Asian allies like Japan and South Korea and, beyond that, other powers in Southeast and South Asia. The third and rather new element would be another pivot (or rebalancing) by the US within Asia, away from the almost exclusive traditional concentration on Northeast Asia toward closer contacts with the ASEAN members; this would also imply moving from mostly bilateral relations to more multilateralism.

After 9/11 the United States focused its foreign policies on the Middle East and South Asia. Its East Asian allies feared an American disengagement from their region rightly so. These worries slightly lessened when the Obama Administration initiated its Pivot to Asia in 2011. The main elements of the American pivot have been the strengthening of existing or traditional bilateral alliances in East Asia, the initiation of new bilateral relations with possible strategic partners and the intensification of multilateral linkages thus bringing the U.S back into the region. One element of the American Pivot strategy that is frequently overlooked is the encouragement of more autonomous strategic relations among the allies of the U.S. in the region. As it happens, Intra-Asian defense agreements proliferated during the last years. Yet, they extend beyond linkages between U.S.-allies and also encompass defense cooperation initiatives between allies and (possible) strategic partners of the U.S.

Against this empirical background *Howard Loewen* argues that the "1st order security architecture" which consists of traditional bilateral and also multilateral security linkages between the U.S. and selected East Asian states has evolved into a complex network of security or defense relations which also encompass the more recent defense agreements exclusively between East Asian state-actors ("2nd order security architecture"). What unites these actors are their worries over China's growing assertiveness throughout the last years and their formal or at least informal security links to the United States. Most of the intra-Asian security linkages assume bilateral forms, some are trilateral and few are multilateral. These defense agreements almost always rely on the capabilities and the political will of new regional security actors or security suppliers such as Japan, Australia

and South Korea. Japan's defense partnership with other U.S.-allies such the Philippines, Australia, Thailand and quasi-ally Singapore (spoke-to-spoke alliances), its cooperation with possible new U.S.-partners Vietnam, Indonesia and Malaysia as well as Australia's defense cooperation with the U.S.-allies Japan, Republic of Korea, Philippines, Thailand and the Philippines, but also South Korea's middle-power security diplomacy towards India, as well as the trilateral security cooperation between Japan, South Korea, Australian and the U.S. are all cases in point. It is unlikely that this new dynamic will be mitigated by an initiative of the new Trump administration. While the U.S. government has a clear preference with regard to its international trade arrangements, its security linkages with East Asia will continue to be the backbone of American power projection in the region.

How does the rise of China affect security governance in the Asia-Pacific? *Tongfi Kim* answers this question by focusing on the competition between China and the United States as suppliers of security in the region. It is argued that China and the United States have not engaged in full-scale military balancing against each other, but they have been competing for geopolitical influence in the Asia-Pacific. Although China's influence so far has been based on its economic clout, improvement in its military capability will intensify the two countries' competition for clients in security affairs. After explaining how competition in the supply of security works, this paper tests the argument against recent developments in security cooperation in the Asia-Pacific region. The main finding is that American and Chinese foreign policy largely corresponds to the assumptions of the supply competition model. Specifically, China will invest primarily in its supply capacity and offer relatively cheap forms of security, while the United States will be keen on retaining its monopolistic position in the international security market. To this end it expands its military linkages to the region. The current weakening of the economic pillar of the American Pivot to East Asia does not contradict Tongfi Kim's assessment since the Trump administration seems to be interested in maintaining the US' security monopoly in the region.

In their paper *Robert Patnam* and *Tim G. Ferner* analyze US-China relations in the Obama-era by linking it to Paul Kennedy's Conception of Great Power Rivalry. According to Kennedy, military overstretch and a relative political decline are the constant twin threats facing great powers whose ambitions and military commitments exceed the capacity of their economic resources. Does the evolution of the US-China relationship during the Obama era confirm the Kennedy thesis that no great power can exercise its dominance permanently? Is the Obama approach towards China simply an attempt to manage American decline at time when China has gained impressive momentum as a major economic power

in the world? In a conscious early attempt to move US-China relations away from a zero-sum conception of great power relations, the Obama administration was quick to embrace a measured approach toward Beijing that combined engagement and competition. On the one hand, President Obama said he wanted China to assume responsibilities commensurate with its rising power status. On the other hand, President Obama acknowledged there would, on occasions, be conflicts of interests and values between the US and China, and that the US would not shy away from competition in such situations.[2] The paper shows, that the twin-track approach has had uneven results. But its application by Washington is a pragmatic recognition that globalization is changing the cyclical pattern of great power rivalry and placing new constraints on all actors, including superpowers.

With the decision of the current US administration to leave the trans-pacific partnership (TPP) this interregional trade institution is either bound to fail or will have to be renegotiated among the remaining member states. It nevertheless makes sense to ask what the implications of the trans-pacific partnership on the regional economic security architecture are or might have been. *Catherine Lo* deals with this issue by focusing on China's economic and military expansion, and the relative decline of the U.S hegemony in the region. The Trans-Pacific Partnership (TPP) has served as one of the key strategies of the U.S government to re-engage with the Asia-Pacific region and to soft balance China's economic influence. Perceiving TPP as the economic wing of the "Pivot to Asia" strategy, it is argued that TPP constructs a "hub-and-spoke" economic system to balance the Chinese economic rise in the region. In responding to the U.S economic soft balancing strategy, China in return establishes a corresponding "hub-and-spoke" system via Chinese-led economic institutions and trade agreements, including the Asian Infrastructure Investment Bank (AIIB) and the Regional Comprehensive Economic Partnership (RCEP). This paper concludes that such dynamics brings about a "two-hub" economic architecture in the region: China and the U.S serve as the "hubs", whereas member states act as "spokes" nations. With the recent decision of Donald Trump to retreat from the TPP, the implications of the proposed architecture to the balance of power as well as economic security in the region are further illuminated in this paper.

[2]"Remarks by President Barack Obama at Town Hall Meeting with Future Chinese Leaders" *The White House*, November 16, 2009: https://www.whitehouse.gov/the-press-office/remarks-president-barack-obama-town-hall-meeting-with-future-chinese-leaders.

The article of *Christian Wagner* highlights India as a new player in the East Asia Security Architecture since the 1990s. The economic liberalization after 1991 and the political and security implications of China's rise have acted as push and pull factors of India's foreign policy towards East Asia. Moreover, the improved bilateral relationship with the United States after the end of the Cold War has led to a strategic convergence on security issues in Asia. But India pursues its own variation of hedging/soft balancing vis-à-vis China and will therefore, so the argument, be a different player in the East Asia security theatre. First, in contrast to countries in East Asia, India has officially always refused any outside support for dealing with its bilateral problems with China. Second, India has never been part of any military alliances and sees itself as a great power on the same level as China. Finally, despite their tensions, China and India have also intensified their political cooperation on the global and regional for instance with the creation of BRICS and with India becoming a member in the Shanghai Cooperation Organization (SCO).

In his paper, *Dirk Nabers* deals with the notion of "crisis", which has been conspicuous in Japanese foreign policy discourses in the past two decades. The definition of crisis employed in the analysis will depart from standard definitions in its strict non-causal and discourse theoretical orientation. The initial question that will gradually be led to possible answers in this article can be expressed in a straightforward manner: How is it possible to conceptualize the 'crisis of the social', and how can we best understand the relationship between crisis and social change? Against this background, it will be clear that foreign policy crises must be seen as what one might understand more precisely as broader identity crises, which are in turn best approached through an engagement with the poststructuralist notion of *dislocation*. The concept will be illustrated and plausibilized by drawing on Japanese security discourses and their focus on "balancing" and collective self-defense, covering the period from the 1997 to the 2015 Japan-US defense guidelines.

Jing Men examines the European perspective on the evolving security architecture in Southeast Asia. To this end the author firstly analyses the role of China and the consequences of its Foreign Security Policy for regional security. Secondly, the paper looks at the US counterbalancing effects on the security architecture. Against this background the last part of this paper focuses on the possible role of Europe in the East Asian security architecture. The main argument is that power competition between the United States and China allows for smaller and middle-seized ASEAN countries to hedge between the two powers. In contrast to China and the US the European Union has a decisive advantages in the eyes of ASEAN states: It is not conceived as a partner with threatening features. This in

turn allows for the EU to pursue foreign policy goals, such as the promotion of a rule-based international system, that can be of vital use for the solution of security problems for instance in the South China Sea. Here the EU could contribute to regional stability in East Asia based on its experience with the settlement of maritime border issues based on UN law, sustainable resource management, and maritime security cooperation with regard to overlapping and thus disputed territorial claims.

The future of the East Asian security architecture remains uncertain. While it is evident that economically the US-Pivot has been mitigated by Trump's decision to leave the Trans-Pacific Partnership, change most likely will occur on the economic side of the Pivot. Strategically, foreign security policy actions of the new US administration do not hint at any preference to leave the region or to alter the structure of the current security architecture. At the same time China is keen on setting up its own regional security system as an alternative to the US-based one. The self-proclaimed regional power will have to wait for a change of guard in the East Asian region.

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The US Pivot and its Implications for the Current East Asian Security Architecture

Stefan Fröhlich

1 The Evolution of American Interest in Asia-Pacific

After the end of the Second World War, the US became the chief guarantor of peace and security in Asia-Pacific by preserving a continental balance of power. The "San Francisco System" signed in San Francisco on September 8, 1951 was at the heart of this effort. It not only restored independence to Japan but also established the bilateral U.S.-Japan Security Treaty, which granted the United States the right to "maintain armed forces … in and about Japan," and encouraged Japanese rearmament. Viewed from the perspective of a separate peace, which neither invited Communist China nor the Chinese Nationalist regime, the San Francisco settlement thus laid the groundwork for an exclusionary system (based on an asymmetric engagement) that not only detached Japan from its closest neighbors and had long-term consequences for the Chinese-Japanese relationship, but also introduced what became the classical hub-and-spokes system consisting of additional bilateral security alliances between the US and Australia, New Zealand (ANZUS 1951), the Republic of the Philippines (1951), the Republic of Korea (1951) and finally Thailand (after the dissolution of SEATO in 1967), which gradually established American outposts from Hawaii to Manila. And ostensibly the system propelled Japan (and partly the other partners) into a posture of looking east across the Pacific to America for security and, indeed, for its very identity as a nation.

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As a result, China's leaders for almost five decades accepted the American geostrategic dominance in the Pacific. Even when the country had become more prosperous since the introduction of capitalist market principles in 1978 and its military transformation had started at the beginning of the 21st century its goal (at least officially) was still not to achieve strategic parity with the United States. The main goal rather was to catch up with the West economically. With annual growth rates averaging around ten percent China surpassed Japan as the biggest foreign holder of U.S. Treasury securities in 2008 and became the largest creditor nation in the world. Today the country is the second largest economy in the world after the United States, the world's biggest recipient of direct foreign investment, as well as the US' and EU's most important trading partner—as a matter of fact, as the Atlantic powers consider how to pivot together to Asia, Asia, that is particularly China, is pivoting to the Atlantic as well (Hamilton 2014, pp. 125–172). However hopes that China's integration into the global economy signaled converging interests between China and the West soon turned out to be an illusion. With the economic relationship becoming ever bigger, political tensions between Beijing and Washington arose simultaneously; today nowhere is this more apparent than in bilateral investment ties (Goodman Mar. 31. 2017). By the second decade of the twenty-first century, China's assertiveness as a great power finally is challenging the military status quo in Asia-Pacific heating up old territorial disputes and contested history issues and provoking U.S. responses to maintain the so far unchallenged Pax Americana in the Pacific.

All this has happened at a time when there was growing concern in Washington about the potential medium or long-time decline in America's military preeminence and Pentagon officials worry about the US armed forces capability to operate globally in forward defense of allies and partners (Quadrennial Defense Review [QDR] 2010). After two cost-intensive wars in the Middle East and Southwest Asia the US wanted to minimize stabilization operations in favor of enhancing its political and economic engagement in Asia-Pacific. But as China's primary objective is to create armed forces capable of deterring America's projection of power into China's offshore waters (referred to as China's pursuit of "anti-access/area denial" (A2/AD) capabilities), US military and geostrategic interests in the region were (and are) also directly affected (Blackwill and Tellis 2015). That is why the Obama administration's pivot to the region in the end was a comprehensive one, requiring growing trade and economic engagement, active but effective diplomacy, but at the same time military investment and presence. Officially, this "rebalancing" to the region was not meant to contain China, because of the realities of globalization and interdependencies in US/EU-China relations, but today it isn't also any longer just an American effort to integrate China into the liberal international order. Rather Washington under the second Obama administration

had been following an alternative, multi-faceted balancing strategy between these two poles that incorporates elements that undermine China's capacity to misuse its power ("hedging strategy"), but at the same time continues to interact with China politically and economically ("engagement strategy"). This strategy was driven by the conviction that Washington has to avoid a major strategic rivalry—or even clash—with Beijing, but at the same time must uphold the regional balance of power by creating new preferential trading agreements with US allies in the region (which consciously bypass China), preventing China from acquiring military and strategic capabilities that would enable Beijing to inflict major harm on the US and its partners, and improving US military force projection capabilities along the Asian rimlands.

2 China's Evolving Strategy

China's foreign and security policy is driven by two different "kinds of assertiveness" (Small 2015, p. 39). Its particular strategic concern lies within its immediate neighborhood that is the "first island chain" or "inner island chain," which includes the Yellow Sea, the East China Sea, and the South China Sea. Beijing's more assertive approach to traditional maritime disputes with Japan, Vietnam and the Philippines in this region is driven by the ambition to accumulate "comprehensive national power", including the preservation of internal order and high levels of economic growth necessary to preserve social order (Tellis 2009), while at the same time developing "asymmetric capabilities" that will enable its forces to offset America's ability to intervene militarily should, primarily, a conflict over Taiwan arise.

On the other hand, China's strategic goal of enhancing its status as a central actor in the global system (particularly as part of the most relevant international institutions) contrasts with its slowly evolving role as a "responsible stakeholder" (Deputy Secretary of State Robert Zoellick 2005) or "normal great power" (very much welcomed by the US and the rest of the world—(Quinn 2015). In the recent past, Beijing rather pursued a global strategy that tried to avoid damage to its relations with other major powers, assuming a defensive role on issues such as the conflict in Iraq/Syria, the Iranian nuclear program, or, most recently, the Russian-Ukraine crisis—if at all it presented an obstacle, it has been in concert with Russia or other non-permanent members of the UNSC.

Meanwhile, however, China has increased its involvement in Central Asia (Afghanistan), in peace-keeping and counter-piracy missions in general, or in Africa (as in the cases of Mali and Sudan) and the Middle East (Libya) in particular (Brown 2014). Strategic planners in Beijing have realized the country's eventual exposure in conflicts in the Greater Middle East, and how important

the development of forward-deployment assets and access to port facilities capabilities in countries along the Indian Ocean (such as Pakistan, Bangladesh and Burma), the Mediterranean (Egypt, Greece and Israel) or on the Horn of Africa (Djibouti) are to respond more effectively to such crises and to pacify its extended geographic periphery in the Indo-Pacific and beyond. China today is surrounded by major power competitors, among them not only Russia, Japan and India, but also smaller states, such as South Korea or Vietnam, which have started to distance themselves from China. Above that, these concerns have been heightened not least by worries about a diminished US role in the Greater Middle East which have forced Beijing to take on a greater responsibility itself and think about how to stabilize its western periphery by implementing its plans for a Silk Road Economic Belt (also known as China's Belt and Road Initiative—OBOR) and Maritime Silk Road. Both projects will connect the country with its key markets and resource supply routes from Central Asia to the Middle East and Europe via sea as well as on land (Goodman and Hillman 2016).

For all of these reasons, China has developed a multi-dimensional approach to the region as well. It is deepening its economic ties with its neighbors, but at the same time increasing its strategic influence with them. It is making common cause with Russia, which refuses to join any balancing strategy in the region against China. And it is trying to build new alliances to counterbalance the US alliance system and promote a new security concept that is managed by Asians alone. In other words, China's ambition seems to be to dominate Asia and recreate a new bipolar system globally (Odgaard 2016, pp. 17–24).

Accordingly, the accelerated militarization on China's part reflects more than rising economic clout and assertive nationalism. China's heightened assertiveness on maritime disputes since 2008 also includes the use of trade and economic instruments (such as oil-drilling in disputed territories or restrictive import and export measures) to serve its strategic goals, but is primarily driven by an increased military presence of Chinese vessels and aircraft in their waters and airspace demonstrating that the takeoff of digital technology and the revolutionary transformation of precision-guided warfare has reached the People's Republic. China's asymmetric capabilities today include a wide range of weaponry, among them: nuclear warheads; short-range and medium-range ballistic missiles; long-range cruise missiles; a "fourth generation" jet aircraft as well as a "fifth generation" stealth fighter (Chengdu J-20); missile-carrying submarines, warships, and aircraft; an envisioned though still distant fleet of aircraft carriers; advanced command and control centers, laser and radar systems; new satellite surveillance systems, and anti-satellite and cyberwar capabilities etc. (Cronin 2014). And there is no doubt among US strategic planners that, should conflict with U.S. forces

arise, China's response presumably would include missile attacks on U.S. bases in Guam and Okinawa.

It is for this reason that the international community in general and the US in particular do worry about China's bullying actions in Southeast Asia, including its increasingly aggressive action in the South China Sea. Though Beijing claims that it is seeking a peaceful resolution to the maritime disputes with five other nations (Vietnam, Malaysia, the Philippines, Brunei, and Taiwan) over a couple of smaller islands, China repeatedly has referred to its historically dubious "nine-dash-line" as a legitimate entitlement to its territory and maritime zones, rejecting any modest claims of those countries to have similar rights. And though Beijing was willing to negotiate a binding "code of conduct" with other claimants, it has never taken such talks seriously. Rather, it has started to develop a land reclamation strategy of island-building to create "facts on the sea", including air bases and port facilities as well as the detachment of armed coast guard vessels. And it has enforced its own interpretation of rights and obligations within the 200 nm exclusive economic zones (EEZs) by denying other countries, including the US, access to what it perceives its own exclusive zone—contrary to the terms of, and its obligations under the UN Convention on the Law of the Sea (UNCLOS).

Even though there still is no clear definition of the rights and obligations of states regarding military activities within the maritime zones of other states, the Permanent Court of Arbitration in the Hague has ruled in June 2016 in favor of the Philippines on most counts, including the most sensitive issue, by declaring China's nine-dash line lacks any legal basis (Patrick 2016). Beijing, however, has neither accepted nor complied with the Court's ruling and instead lashed out with even more aggressive actions to assert its sovereignty claims, not least by declaring an air defense identification zone (ADIZ) over the entire area contained within the nine-dash line. By doing so, Beijing has challenged the other claimants as well as the US for a united, hard line vis-à-vis China, putting the former more than ever before at the mercy of the two global powers. While they had learned to "balance, hedge, and bandwagon" between two distinct orders in the past, they now are rethinking their economic as well as security ties with both powers.

3 US Strategic Planning to Counter the Chinese Challenge

Of course, China's military modernization agenda is provoking those who take America's overwhelming military superiority in the Pacific for granted, especially in the United States and Japan. That is why the American response is also calling to mind the early years of the Cold War, when American and Chinese values

and interests were rather adversarial than convergent. To many strategic planners in the US, preserving American primacy for the future thus requires to replace the concept of integrating China into the global system by one that is balancing its rise and reinvigorating US core principles for national security, that is: prevent any threat of conventional and unconventional attacks on the US; maintain the regional balance of power in Asia-Pacific through American leadership (that is, manage the geostrategic challenge of a more assertive China and escalating tensions and competing claims in East and South China Seas); prevent the use and proliferation of nuclear weapons and other WMD (North Korea); promote global prosperity.

In U.S. strategic planning circles, the most widely publicized concept to implement such a strategy is aimed at countering "emerging anti-access/area denial challenges" (called Air-Sea Battle (ASB)). First mentioned publicly by the secretary of defense in 2009, it calls for integrated air, sea, space, and cyberspace forces capable of overcoming the "asymmetric capabilities" of adversaries by "disrupting, destroying and defeating" their A2/AD threats (Department of Defense 12. May 2013). Though US officials emphasize that the concept does not specifically target China and is still a rudimentary projection, it, in fact, dates from the early 2000s when China (and Iran) was identified as the major adversary and operations such as destroying surveillance systems and missile defenses, followed by air and naval assault were part of the Pentagon's Grand Strategy. The same is true for alternative strategic concepts such as the Pentagon's overarching JOAC (Joint Operational Access Concept), Army and Marine Corps projections such as the GMAC (Gain and Maintain Access Concept) and JCEO (Joint Concept for Entry Operations), and the Navy's MDBS (Mutually Denied Battlespace Strategy) (Flynn and Richardson 2012, pp. 38–44). All of these strategies focus on amphibious, airborne and air assault operations to gain and maintain inland access to the adversary's territory, while the Navy's plan relies on U.S. maritime superiority to deny access to Chinese warships in their own and surrounding waters. At the same time, the United States announced plans to shift long-range B-1 and B-52 bombers as well as a fleet of surveillance drones from the Middle East to the Pacific to intensify its consistent air presence in the South and East China Seas.

There are, however, two reservations about Washington's military "pivot to Asia" or "rebalance toward the Asia-Pacific region". First of all, as mentioned above, it was/is part of a grand strategy, which former Secretary of State Hillary Clinton presented in an article on "America's Pacific Century" that could be interpreted as a clear signal by the Obama administration that the hegemonic Pax Americana should be maintained by a multi-dimensional, less confrontational and, above all, more balanced multinational power sharing (Clinton 2011; *Cronin* 2014). While according to this view it was necessary to develop high-level diplomacy

with China and at the same time deliver on the TPP, it was also important that any US Grand Strategy includes interoperability with allies and the support of regional partners to develop their own AD capabilities against China. Second, due to sequestration caps in the recent past, and because Washington wanted to avoid a major confrontation with China, the US' military pivot so far has been nevertheless small. That is why the US' security role vis-á-vis the region is based on deterrence and offshore balancing and at the same time is trying to "enable" partners to build and strengthen a regional security network together with the US, including a ballistic missile defense posture—a strategy that is likely to be pursued by the Trump administration as well, which indeed has announced a significant increase in defense spending (by 10%), but seems to be less concerned about military and security affairs, particularly superiority over rivals.

4 Reinforcing a New Web of Partnerships

Such a network would consist of three elements: One that focuses on joint U.S. military operations that optimize cutting-edge weaponry and technologies for intelligence, surveillance and reconnaissance (ISR), robotic and unmanned systems, and cyberspace, the other involving greater strategic bilateral and intra-regional cooperation (with direct or indirect US support) with traditional Asian allies like Japan and South Korea and, beyond that, other powers in Southeast and South Asia. The third and rather new element would be another pivot (or rebalancing) by the US within Asia, away from the almost exclusive traditional concentration on Northeast Asia toward closer contacts with the ASEAN members; this would also imply moving from mostly bilateral relations to more multilateralism (Cronin 2014, pp. 51–74).

Taken all these elements together implies that—despite all aspirations for cooperation and interdependence with China—current developments in Asia are again shaped by the inherently confrontational and hierarchical aspects of the San Francisco System with the US' military role remaining one of offshore balancing.

The main element of this system, based on bilateral security alliances, had been the containment of the communist expansion in the region. Today, the US as a Pacific power again retains an element of being the distant security guarantor that provides shelter for and promotes incremental militarization of its closest allies such as Japan, Korea and Australia—all of them being concerned about North Korea's traumatizing development of nuclear weapons and mounting tensions with China. The new element in the current evolving security architecture in the region, however, is the increasing significance of multilateral Institutions

(East Asia Summit; ASEAN-US summit) reflecting the common interest of smaller and middle-sized Asian states and the US as external actor to accommodate and balance the rise of China.

At the heart of the reinforced bilateral partnerships still is the relationship with Japan whose test of a ballistic missile in 1998 triggered a series of policy decisions that prioritized establishing a multi-layered missile defense system in close collaboration with the United States. Ever since, Japan has expressed concerns over China's military modernization and incrementally lifted earlier restrictions on arms exports (anticipating the selling of submarines to countries like the Philippines and perhaps Vietnam) and a ban on the military use of space. In 2010, the revised defense guidelines for the first time took note of a "global shift in the balance of power", worrying about the relative change of influence of the United States in the region and new "gray zone areas" such as the Korean Peninsula, the Taiwan Strait, and the seas and islands (in the case of Japan the Senkaku islands) to the South threatened by China (Liff 2010). At the same time, they also reflect Japan's willingness to develop technologies capable of a more proactive defense posture and thus deepen the security alliance with the United States in areas such as contingency planning, joint training and operations, and technology cooperation, with a particular focus on ballistic missile defense.

The result of Japan's continuous efforts to set new parameters for the cooperation with the US is the new Guidelines for U.S.-Japan Defense Cooperation, released in April 2015. These guidelines allow greater flexibility for the defense planners in both countries pursuing "seamless, robust, flexible, and effective" bilateral responses and providing "general framework and policy direction" for the cooperation necessary for such responses (Department of Defense 27. Apr. 2015). They focus on how both countries will respond to the security concerns that directly affect Japan's security by singling out space and cyber as the two domains that hold the greatest potential for expanding cooperation. And they, for the first time, mention cooperation in defense equipment, encouraging Japan to come up with a coherent policy on how it wants to nurture its defense industrial base.

Apart from Japan, the strategic relationship with South Korea remains essential to maintain the balance of power in Northeast Asia. Parallel to the agreement with Japan, Washington and South Korea have embarked on the idea of shared command structures at the tactical level in June 2015. By establishing a combined division comprising units of the U.S. 2nd Infantry Division and the ROK Army 8th Mechanized Infantry Division both sides want to strengthen their capacity of making swift and coordinated tactical responses to crises in an expeditious manner. The presence of the combined division north of Seoul is to help deter conventional North Korean threats by displaying a robust alliance at the operational levels, but

also at a tactical level. Above that it is to make North Korea more cautious in planning any military aggression against that area (Jee 2015). The agreement has been accompanied by a clear signal by Washington to extend its security guarantee to South Korea by increasing support for the ROK's BMD capabilities as well.

Along with the reassurance of staunch allies in Northeast, Washington has launched several initiatives to rebalance itself within Asia-Pacific by growing partnerships with many Southeast Asian states, which primarily pursue soft balancing of China. As evidenced by recent Chinese activities in the South China Sea and throughout the Pacific islands, the stakes are growing fastest in South and Southeast Asia. Though Australia and the Philippines have always been the Southern anchors of US partnerships in the Pacific—with Australia being the essential link in the US, Indo-Pacific strategy -, countries such as Singapore, Vietnam, Indonesia or Malaysia (some of them still with rather repressive regimes) are meanwhile reaching out to Washington for stronger military (as well as economic and political) cooperation as well—and, vice versa, is the US pivoting to them. In October 2014, Washington lifted its restrictions on some military sales to assist Vietnam in resisting Chinese territorial encroachments in the South China Sea. Since 2011, the US has participated in several joint military exercises with all of these countries, spending over $100 million on involving joint military forces, interagency activities, and several partner nations. And it has increased its efforts to support and prepare the countries for shared regional challenges according to their specific relevance by e.g.: pushing the Philippines to develop a full range of defense capabilities; improving Indonesia's air-sea capabilities; upgrading Singapore's air force capabilities; expanding the scope of activities during the annual US-Vietnam naval exercises; and advocating substantial international military and education training (IMET) expansion throughout Southeast Asia. All these efforts are meant to guarantee US deterrence and the regional balance of power by sustaining not only a forward military presence in the Asia Pacific, but also enabling its network of allies and strategic partners on deterring other states, primarily China, from challenging American core values and interests such as the freedom navigation.

5 Conclusion

With the election of Trump America's traditional role of the offshore balancer is likely to erode if the president would follow his campaign rhetoric. Particularly his view on trade can have implications for security in the region as well. Trump's withdrawal from TPP (and other multilateral trade agreements such as

TTIP) while at the same time scaling up protectionist measures and squeezing economic concessions from China on trade and alleged currency manipulations will probably—at least temporarily—increase output growth, possibly reaching 4%, by driving up the price of import-competing goods and triggering higher inflation (with the Fed's independence coming under attack); this will have positive impacts for the world economy, including Europe. It will, however, also have serious implications for the US' economic and strategic interests in the region in the medium run by giving Beijing leeway for its own geopolitical interests. More likely than the other 11 members going ahead and implementing TPP without the US is that China becomes the game-changer stepping forward to try to shape the rules in the region favorable to its interests. As Russia, Beijing will be eager to fill the power vacuum left by the US geopolitical withdrawal. The consequences could be a double backlash to the US interests: Economically, more countries could start giving up their traditionally rather neutral position between China and the US and rebalancing toward Beijing, while countries relying on the US' security umbrella (like Japan) might think of other strategic options. At the same time the idea of disrupting commerce with China would not only negatively affect US manufacturing supply chains with Chinese facilities (which cannot simply be disrupted by huge new tariffs anyway) but also have a huge impact on the US budget deficit being primarily financed by Chinese currency reserves. Against this background the crucial challenge for Washington will be to accept that China is becoming a maritime power that operates in maritime zones traditionally controlled by the US and its allies on the one hand, and further support the principles of sovereignty and maritime zone rights without compromising globally recognized principles of international law on the other hand. Washington could agree to scale down its own "Freedom of Navigation Operations" (FONOPs) and overflight exercises—which it recognizes as customary international law—without giving up on its status as offshore balancer for the other ASEAN claimant nations, thereby probably avoiding any escalation of major encounters at sea.

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Intra-Asia Pacific Defense Cooperation and the Emergence of a 2nd Order Security Architecture

Howard Loewen

1 Introduction

The traditional Asia-Pacific[1] security architecture comprises bilateral and predominantly formal defense alliances between the United States and its allies in the region. The U.S. Pivot to Asia has brought about a strengthening of already existing bilateral military alliances, the establishment of defense cooperation with new partners and the deepening of relations between the U.S. and East Asia's security institutions such as the Association of Southeast Asian Nations (ASEAN), the ASEAN Regional Forum (ARF), ASEAN Defense Ministers' Meeting Plus (ADMM Plus)[2] and the East Asia Summit (EAS). One component of the Pivot that is frequently overlooked is the stimulation of security linkages between US allies, such as Japan, the Philippines, Australia, Thailand, Taiwan

[1]Due to the fact that Australia is an ally of the US and India a possible strategic partner, it makes sense to use the geographically wide concept "Asia-Pacific", which encompasses South Asia, East Asia (Northeast Asia and Southeast Asia) and Oceania in order to account for the variety of security linkages in the region.

[2]The ADMM-Plus includes the ten ASEAN Member States and eight Plus countries. Such are Australia, China, India, Japan, New Zealand, ROK, Russian Federation, and the United States.

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and the quasi-ally Singapore. In fact, an array of intra-Asian defense agreements has been established in recent years. It turns out that a vast number of these agreements encompass linkages between formal US allies (spoke-to-spoke cooperation) such as Japan's defense cooperation with the Philippines, Australia, South Korea, Thailand and Singapore. Equally relevant in this regard are Australia's defense partnerships with Japan, South Korea/the Republic of Korea, the Philippines but also linkages of US-allies with possible new partner countries or strategic partners in the Asia-Pacific. Such are Vietnam, Malaysia, Indonesia and India with which most of the US-allies have defense relationships.

How can we account for the establishment, design and effects of these intra-Asia Pacific defense linkages? The main argument of this chapter is that intra-Asian defense agreements can be conceived of as the "2nd order" of the Asia-Pacific security architecture. While the "1st order security architecture" consists of bilateral and multilateral security linkages between the US and Asia Pacific states as well as regional defense institutions in East Asia, the 2nd order security architecture contains recent *intra*-Asia Pacific defense agreements. It is specifically argued that in contrast to the 1st order alliances which have been established due to the suspected expansion of communist regimes in Cold War Asia and have been maintained owing to the economic rise of China, the 2nd order architecture is causally linked to apprehensions of East Asian allies and other possible strategic partners of the US in the region over China's growing assertiveness and the possible strategic retreat of the U.S. from the region. All the security actors involved in the 1st and 2nd security architecture of the Asia-Pacific have formal or at least informal security linkages to the United States.

The design of the intra-Asian defense arrangements takes mainly bilateral shapes, some assume trilateral formats and only a few are multilateral. They differ significantly from the formal 1st order institutions as they are mostly informal defense institutions. The main security actors in the 2nd order architecture are the US closest allies in the Asia-Pacific, namely Japan and Australia.[3] They are the emerging nodes in the current intra-Asian defense network since they have the political will and the capabilities to provide security to other states' security demands in the architecture and project power onto the region. Regarding the effect on the overall Asia-Pacific security architecture it is argued that the intra-Asian defense agreements have initiated a turn away from mainly regional economic

[3]South Korea might become a defense hub in the future. Although is has the capabilities to assume the status of a node, it lacks the political will to act accordingly.

cooperation to significant regional security cooperation that is beginning to outweigh the former. Beyond a higher degree of defense diplomacy, spoke-to-spoke arms sales and the number of joint exercises and military trainings has risen significantly. So without having to rely on US capabilities hard power exchanges among US allies and strategic partner have increased within the 2nd order security architecture of the Asia-Pacific.

2 Empirical and Analytical Setting

A security architecture can be conceived of as "an overarching, coherent and comprehensive security structure for a geographically-defined area, which facilitates the resolution of that region's policy concerns and achieves its security objectives" (Tow and Taylor 2010). Based on this definition this chapter will firstly describe two relevant manifestations of this architecture in the Asia-Pacific region, namely the 1st and 2nd order security architecture. In a last step a simple model is derived that allows for the analysis of causes, forms and effects of the 2nd order security architecture.

2.1 1st Order Security Architecture: Traditional Security Alliances and Multilateral Cooperation

The traditional Asia-Pacific Security Architecture or 1st order security architecture consists of a number of mainly bilateral and formal security alliances between the United States of America and specific states in the region. Security alliances such as those between the US and Japan, South Korea, Taiwan, Thailand, the Philippines and Australia have all been established during the Cold War as a means to contain the alleged spread of communism in the Asia-Pacific. This strategy went along the logic of the Truman doctrine, a US foreign policy strategy during the Cold War. As systemic bipolarity waned with the collapse of the Soviet Union in 1989, so did the danger of Asia becoming communist. Yet, the bilateral alliances still persisted. They did not become obsolete simply because their main purpose was customized to changes in the international system, similar to the reorganization of the North Atlantic Treaty Organization (NATO) after the demise of the Warsaw Pact. The new function of the security architecture was to make sure that China's rise would be controlled by the US by means of projecting military power onto the region. This enabled small and middle-seized Asian countries to pursue a mixed foreign policy strategy, namely hedging: bandwagoning

with China economically and balancing against China with the help of the US if the need to do so arises.

The strategic Pivot to Asia has been initiated by the Obama Administration. It is basically a foreign policy strategy aimed at pivoting or rebalancing away from Southwest Asia to the Asia-Pacific region. The main goals are the strengthening of existing bilateral alliances, putting an extended focus on emerging partners, fostering multilateral relations with the region and advancing economic and military cooperation. With regard to the first goal, which is key to the Pivot strategy, the US tries to deepen and adapt its already existing alliances with Japan, South Korea, Taiwan, Thailand, the Philippines and its strategic partner Singapore to new security realities such as the rise of China and the challenge of non-traditional security issues such as human trafficking and illegal migration etc. Another focus of the rebalance is to foster cooperation with emerging partners such as Vietnam, Indonesia, Myanmar and Malaysia, thus enlarging the network of possible security partner countries in the region. The third part of the strategy aims at strengthening the US presence and diplomatic activities in East Asian multilateral institution such as the ASEAN Regional Forum and the ASEAN Defense Ministers' Meeting Plus, obtaining membership to the East Asia Summit and intensifying US-ASEAN relations. These three targets form the basis for the fourth aim of advancing military and economic relationship with Asia-Pacific countries (Campbell and Andrews 2013).

2.2 2nd Order Security Architecture: Intra-Asian Defense Cooperation

An essential part of the Pivot which often tends to be ignored is the promotion of security and defense cooperation between the "spokes" of the US-dominated security architecture. As it happens, a large number of intra-Asian defense institutions have been initiated in recent years. Most of these agreements entail links between formal US allies in the Asia-Pacific region. The respective spoke-to-spoke cooperation involves for instance Japan's defense cooperation with the Philippines, Thailand, Australia and Singapore. Another US-ally that has established considerable defense links to other allies or strategic US-partners is Australia. This pacific state keeps defense partnerships with Japan, South Korea, Singapore and the Philippines. It is also noteworthy that the "new" security nodes in the Asia-Pacific Security Architecture, Japan and Australia, have also established defense partnerships with possible strategic partners of the US. Such are Vietnam, Malaysia, Indonesia and India. Beyond the bilateral cooperation layer

trilateral cooperation between the United States, Australia and Japan has proven to be vital for strengthening defense and security capabilities of ASEAN countries. Another example of trilateral cooperation in the 2nd order is the Japan-Singapore-India maritime partnership.

2.3 Cause, Design and Effects of the 2nd Order Security Architecture

What are the reasons for the establishment of these intra-Asia-Pacific defense agreements? How are they designed? What are their possible effects on the general security architecture in the Asia-Pacific? As stated above both 1st and 2nd order can be conceived of as two different layers of the Asia-Pacific security architecture. The first order security architecture dates back to the Cold War era and is made up of mainly bilateral alliances between the US and Asia-Pacific states as well as linkages between the US and East Asian security institutions such as the ASEAN Regional Forum and the East Asia Summit. The second order security architecture contains relatively new intra-Asian defense institutions.

What has *caused* the rise of defense cooperation in the 1st and 2nd order security architecture? The first order has been initiated as a means to balance the feared spread of communist states in the Asia-Pacific during Cold War times. In contrast, US' allies and their strategic partners in the 2nd order architecture, both from the Asia-Pacific region, basically worry about the growing Chinese assertiveness, especially in the South and East China Sea. Equally important in this respect are concerns over US-defense budget cuts and US domestic politics that could have a negative impact on the US willingness and capability to project power onto the region. The rather diffuse Asia policy of the Trump administration does not really help to mitigate these misgivings.

With regard to the *design* of the intra-Pacific Asia defense arrangements it is obvious that most of them feature formal or at least informal relations with the United States. There is also a clear tendency of these intra-Asian defense regimes towards bilateralism. Only a few are of trilateral nature or have multilateral characteristics. These second order institutions are mostly informal and thus rank below the formal alliance level. They are mainly established by the new Asian security actors and providers beyond the United States. Such are Japan, Australia and South Korea. These are the closest US allies in the region and they are, due to their political will to project power and due to their capabilities nodes or hub-states in this 2nd order security architecture.

As to the *effects* of the intra-Asia-Pacific defense arrangements on the overall architecture it is argued that we firstly see a significant shift away from economic cooperation to security cooperation. There is however not a zero-sum game relationship between economic and security cooperation in the region: The management of economic interdependence is still a very important factor in the foreign policies of the states in the region, but security has become such a concern to all states, that they are willing to fill a possible void left by the US with their own intra-regional defense cooperation agreements. Three specific aspects of 2nd order security cooperation are of importance here: a high degree of defense diplomacy or respective institution building, spoke-to-spoke arms sales and a significant rise of joint military exercises as well as military training in the region.

3 The 2nd Order Security Architecture

This chapter firstly gives attention to Japan's and Australia's recent defense arrangements in the Asia-Pacific. Secondly, we will take a look at trilateral security cooperation between the US and regional partners. These phenomena constitute the main elements of the 2nd order and largely determine the current dynamics of the overall security architecture in the region.

3.1 Japan's Defense Linkages in the Asia-Pacific

In the recent Japanese Defense white paper concerns about the security situation in the Asia Pacific are stated and possible respective defense cooperation proposed. With regard to security issues relevant to Japan's security environment factors such as the proliferation of weapons of mass destruction, the threat of international terrorism and risks relating to global commons such as the oceans and cyberspace are mentioned. Japan seems to be specifically worried about unilateral actions in the South China Sea aimed at changing the status quo by coercive means. As this is being executed without respect to the United Nations Law of the Sea, freedom of navigation and freedom of flight over the high seas, Japan sees its basic normative goals violated, especially by China's behavior (Japanese Defense White Paper 2016, p. 311)

Since the mentioned issues have an impact on regional stability, Japan tries on ensure the latter by promoting bilateral and multilateral security cooperation. Since trust-building between relevant countries and partners in the region is of particular relevance in this strategy, bilateralism looms large in Japan's current

foreign defense policy. In recent years Japan clearly has intensified its security cooperation with US allies and (strategic) partners in the Asia-Pacific region, who share its strategic interests. Such countries are Australia, India, South Korea and selected ASEAN countries. All these countries share strategies interests.

Japan-Australia

With Australia Japan has established one of its closest defense relationships. What binds these two countries are their status as U.S.-allies and shared values such freedom, democracy, respect for human rights and the rule of law. With regard to defense Japan and Australia have based their respective cooperation on several agreements. Such are the Japan-Australia Joint Declaration on Security Cooperation (2007), the Japan-Australia Acquisition and Cross-Servicing Agreement (2010), Japan-Australian Information Security Agreement (2013) as well as several Japan-Australia "2 + 2" meetings to foster defense cooperation. Recently, at the occasion of the Japan-Australia Summit Meeting in 2014, Japanese Prime Minister Abe labeled the Japan-Australia partnership as a "special strategic" linkage for the 21st century. Moreover both sides signed an agreement concerning the transfer of defense equipment and technology. In May 2015 both countries agreed to deepen their defense cooperation through joint exercises and other programs. In June 2015, at the Defense Ministerial talks in Tokyo, both sides reiterated their consensus by strongly opposing unilateral strategies to alter the status quo in the South China Sea. Instead solution should be found in accordance with international law. The close partnership between Japan and Australia was further strengthened when in December 2015 both countries confirmed their "Special Strategic Relationship" with regard to military exercises. To this effect, both countries conducted joint exercises which took place in Japanese coastal water in 2015 and in Australian costal waters in 2016. With Australia Japan has established one of its closest defense relationships. What binds these two countries are their status as U.S.-allies and shared values such freedom, democracy, respect for human rights and the rule of law. Against this background both countries have engaged in activities such as humanitarian assistance and disaster relief (Japanese Defense White Paper 2016, pp. 323–324).

Japan-South Korea

Beyond some dissonances relating to Japan's militaristic past and how it deals with it, South Korea and Japan share very important strategic interests as neighboring countries but also as U.S.' allies in the Asia-Pacific region. Both countries similar views on the North Korean nuclear and missile issue, counter-terrorism, peacekeeping, anti-piracy measures as well as maritime security. These shared

strategic preferences manifest themselves in defense cooperation initiatives that, as in the case of Japan-Australia cooperation, have also significantly intensified in recent years. Cases in point are the Japan-ROK security dialogue at the foreign and defense working level that was held in April 2015, on the occasion of which the two countries' defense policy overlaps were discussed. In May 2015 the Japanese Defense Minister Nakatani organized the first Japan-ROK defense dialogue in four years. At the defense minister's meeting in Seoul in October 2015 both sides underlined the importance of bilateral defense cooperation as well as trilateral cooperation between the United States, South Korea and Japan. In January 2016, at the sidelines of the 15th Shangri-La Dialogue, a Ministerial Dialogue between the two sides took place at which the Ministers affirmed the further deepening of bilateral defense cooperation. Practical exercises were already held in October 2015 when the Japanese Self Defense Forces and the South Korean Forces conducted search and rescue exercises. Since then visits and military-based exchanges have increased significantly (Japanese Defense Paper 2016, pp. 324–325).

Japan-India

Japan views India not only as a future economic power but also as an important strategic partner as it is located near sea lanes that are vital for Japan's economy. Similar to Australia and South Korea, Japan shares important values and norms with India such as democracy and freedom of the seas. Both moreover share an interest in Asia's peace, stability and prosperity. The two countries have established a Special Strategic and Global Partnership which is inter alia based on a number of important defense agreements. One of these is the Joint Declaration on Security Cooperation that was signed in October 2008. India is only the third country besides the United States and Australia with which Japan has established such an agreement. One year later the prime ministers of both countries finalized an Action Plan to foster security cooperation. Against this background numerous defense interactions such as service-to-service exchanges including bilateral and multilateral exercises were initiated, primarily located in the areas of maritime security and anti-piracy operations. In September 2014 the Memorandum of Japan-India Defense Cooperation and Exchanges was signed. It aims at deepening the partnership on the regional and global level of the international system (Japanese Defense White Paper 2016, p. 326).

Recent developments in the defense partnership between Japan and India hint at its further consolidation. In September 2014 steps were taken to upgrade the Japanese-Indian partnership to a "special strategic global partnership". This partnership treaty included inter alia the participation of Japan in the long-standing

India-U.S. naval Malabar exercises. At the occasion of the India-Japan Ministerial Meeting in March 2015 discussions with respect to defense equipment exchanges were initiated. It was further agreed to continue bilateral maritime training and cooperation regarding ground and air forces. Defense cooperation was further deepened at the bilateral summit meeting in December 2015, on the occasion of which the Prime Ministers agreed to elevate Japan-India cooperation to an "action-oriented" partnership. In this respect an agreement on the Transfer of Defense Equipment and Technology and the General Security of Military Information was signed. Based on these agreements Japan and India were able to consolidate their defense equipment cooperation and information exchange measures (Japanese Defense White Paper 2016, p. 327).

With respect to practical exercises and training the Japanese Maritime Self-Defense Forces (MSDF) continued their participation in the Malabar naval exercises. India invited the MSDF to be part of the exercises in Indian waters in October 2015. All in all and throughout recent years a significant increase in defense diplomacy, bilateral exercise and training as well as exchange of equipment and security information has taken place between the U.S.-ally Japan and India, the most powerful nation in the Western part of the Asia-Pacific and ad U.S. defense partner.

Japan-ASEAN countries

The Association of Southeast Asian Nations encompasses ten member states with most of which Japan has sound diplomatic relations as well as with ASEAN itself. Yet, defense relations are pronounced with U.S.-allies such the Philippines, Thailand, Singapore and U.S.-friendly states and possible defense partners Indonesia and Vietnam. What unites these countries are concerns over China's growing assertiveness especially in the South China Sea. This connects to Japan's strategic interest in the region which revolves around the Malacca Straits and the South China Sea, both of which are important sea lanes for maritime traffic heading for and emanating from Japanese harbors.

As U.S.-allies the Philippines and Japan share fundamental interests and also specific preferences regarding China and its growing assertiveness in the South China Sea issue. This is why the strategic partnership agreement between the two countries, initially established as an economic pact in 2011, was complemented with defense elements which have a specific focus on maritime affairs in 2013. Other defense agreements followed such as the Memorandum on Defense Cooperation and Exchanges in 2015 that underlined the goal of the two countries to cooperate in maritime security particularly through training and exercises. Moreover, Japan and the Philippines agreed upon the Defense Equipment and Technology Transfer

Agreement in February 2016 (Japanese Defense White Paper 2016, pp. 331–332). The latter was of utmost importance for the Philippines as it suits the strategy of Philippine President Aquino III to modernize the country's military. An important element of this strategy is the diversification of defense equipment sources and establishing defense relationships with Asia-Pacific actors such as Japan and Australia. It is no wonder then that in addition to American vessels Japanese destroyers and submarines have recently been allowed to dock in the Philippine harbor Subic Bay.

Thailand and Japan have good diplomatic relations due to long-standing development and economic relationships which also have defense elements. These have been considerably strengthened already in 2005 when the Thai and Japanese Self-Defense Forces for the first time participated in the Cobra Gold exercise conducted by Thailand and the United States. Beyond defense capacity building assistance both countries decided to strengthen bilateral defense cooperation and exchanges in June 2016 (Japanese White Paper 2016, p. 332).

Since 2009 Singapore and Japan have been cooperating in defense issues. In the same year both countries issued a memorandum on defense cooperation and exchange. There is a long history of defense discussions and high-level exchanges on regional security issues. Port-calls are legion and both countries work together in United Nations Peacekeeping operations, anti-piracy programs and service-to-service exchanges (Japanese White Paper 2016, p. 331).

Due to the fact that Vietnam is a riparian state of the South China Sea with similar issues with China, Japan has been able to develop a defense cooperation with the Southeast Asian state. Against this background both countries have established an Extensive Strategic Partnership in 2014. One year later, in the course of a Defense Ministerial Meeting, the two ministers agreed to deepen defense cooperation. This process resulted in port calls of the MSDF at the Cam Ranh Bay port in Vietnam. Furthermore high level talks regarding defense equipment and technology cooperation have been initiated. In 2015 both countries agreed to foster service-to-service exchanges. These defense exchanges increased significantly in 2016 through multiple activities such as search and rescue operations involving MSDF patrol aircrafts and Vietnamese People's navy and air force (Japanese Defense White Paper 2016, pp. 330–331).

As the largest nation in Southeast Asia with considerable economic and increasingly military weight Japan has established close defense relations with Indonesia. Due to a normative consensus that is based on the fact that both states are democracies and sea powers, Indonesia and Japan agreed in 2015 to strengthen their strategic partnership. At the respective Japan-Indonesia Foreign and Defense Ministerial Consultation both sides agreed upon the transfer

of defense equipment and technologies, to participate in the maritime exercises Komodo as well as to conduct security and research exercises (Japanese White Paper 2016, p. 330).

3.2 Australia's Defense Linkages in the Asia-Pacific

Australia is, next to Japan, the strategically most important U.S.-ally in the Asia Pacific. In our analytical model of the 2nd order security architecture Australia assumes, similar to Japan, the role of a regional security provider or hub without questioning the role of the U.S. as the supreme security guarantor. As such Australia has established important intra-regional defense relationships with Japan, India, Indonesia, Singapore, Malaysia, Thailand, Vietnam and the Philippines.

Australia-India
Australia regards India as a rising regional power and it supports its growing strategic visibility in the Asia-Pacific. Both countries share values such as democracy, freedom of the seas and respect for international law and preferences regarding maritime security in the Indian Ocean, regional stability and counter-terrorism measures. India is also a security partner of the United States. Against this background both countries have agreed on a bilateral defense cooperation Framework in 2014. In this institutional context Australia and India engage in a regular strategic dialogue, bilateral training and exercises. Specific fields of defense cooperation include maritime security, counter-terrorism, capacity enhancement as well as defense science and technology (Australia Defense Paper 2015, p. 134).

Australia-Southeast Asia
With regard to Southeast Asia, Australia has distinct security and economic interests. There are two reasons for this: Firstly, geographic proximity renders Southeast Asian security issues such as overlapping and competing territorial claims, growth in military capabilities and terrorism as relevant for Australia's regional threat perception. Secondly, almost two thirds of Australian trade exports pass through the South China Sea. This implies that possible regional instabilities in Southeast Asia would have a significant effect on Australia's security situation. That is why Australia has established important defense agreement with states from Southeast Asia such as Indonesia, Singapore, Malaysia, Thailand and the Philippines.

Indonesia is besides Japan the most important security partner in the region owing to shared maritime borders and respective interests. Such are the stability

of shared maritime domains, free movement of trade and investment as well as combating terrorism and human trafficking. The main focus of both countries' defense policies lies in the field of maritime affairs. Against this background a number of bilateral defense agreements have been established. The institutional fundament of the defense relations consists of the 2006 Lombok Treaty, the 2012 Defense Cooperation Agreement, and the 2014 Joint Understanding on Intelligence Cooperation. In addition, the Indonesia-Australia Defense Strategic Dialogue has been launched, in which defense and foreign affairs ministers as well as Navy and Armed Forces interact and exchange views. The main areas for cooperation encompass counter-terrorism, maritime security, humanitarian assistance and disaster relief, peacekeeping and intelligence. A military education partnership covers areas such as staff college exchanges, mobile training teams and English langue courses. Finally, Australia will help Indonesia to modernize its military forces (Australian Defense White Paper 2015, p. 59).

Australia values Singapore as an important security partner because of its shared interest in a secure maritime trading environment and its advanced military equipment. Institutionally the respective bilateral cooperation rests on the Comprehensive Strategic Partnership signed in June 2015. According to this agreement both countries will cooperate in five areas: exchanges of military and civilian personnel, greater cooperation on combating terrorism and cybercrime, enhanced intelligence and information sharing, science and technology cooperation as well as co-development of training areas and new training initiatives (Australian Defense White Paper 2015, pp. 129–130).

Malaysia and Australia are both members of the Five Power Defense Arrangement (FDPA) and share the same strategic interests. As an FDPA-member Malaysia accommodates the Integrated Area Defense System which operates as a coordinating node for FDPA activities. Furthermore Malaysia facilitates Australia's military presence at the Royal Malaysian Air Force base Butterworth as part of its FDPA commitment. In November 2015 both countries signed the Australia-Malaysia Joint Declaration of Strategic Partnership in which the continuation and deepening of the Malaysia-Australia Joint Defense Program and their contribution to the FDPA is confirmed (Australian Defense White Paper 2015, pp. 130–131).

Australia and Thailand share a long history of defense cooperation since 1945. In 1972 a formal "Defense Cooperation Program" was initiated. Today bilateral defense cooperation comprises inter alia counter-terrorism, peacekeeping, maritime security, logistics, capability development, and aviation safety. Yet, Australia links its continuous defense support for Thailand's military to progress being

made in Thailand's fragile democratization process (Australian Defense White Paper 2015, pp. 130–131).

3.3 Trilateral Cooperation Involving the US

Regarding the design of intra-Asia Pacific defense arrangements in the 2nd order security architecture we have so far taken a closer look at the obvious dominant pattern of defense bilateralism between the regional hubs Japan and Australian and their defense partners. There are only a few trilateral or minilateral cooperation schemes in the 2nd order security architecture, albeit relevant since they involve the dominant security provider of the 1st order security architecture, the U.S., and its closest and most capable allies and partners. The respective defense triads are firstly Japan, the U.S. and South Korea, secondly, Japan, the U.S. and Australia and thirdly, Japan, the U.S. and India.

Japan, the U.S. and South Korea

As U.S. allies, Japan and the Republic of Korea share fundamental strategic interests with each other and with the United States of America. Against this background policy dialogues between the defense ministries of the three countries took place since 1994. This agreement was strengthened with the signing of the Information Sharing Arrangement between the Defense Authorities form Japan, the U.S. and the ROK in December 2014. This specific defense arrangement resulted actually from the continued exchange of information on North Korea's nuclear and missile program. Another trilateral meeting was held in March 2016. It resulted in the further consolidation of this defense cooperation scheme. The Japan-US-ROK Defense Trilateral Talks (DTT) fostered a continuous defense dialogue at the working-level and general directors-dialogue level. Important trilateral meetings were held in 2016 with regard to North Korean nuclear weapons tests and ballistic missile launches. At the level of service-to-service cooperation, the U.S.', Japanese and South Korean chiefs of staff held their first meeting in July 2014. Among the topics discussed were again North Korea and the issue how to deepen the trilateral defense cooperation between Japan, the U.S. and South Korea. While political tensions between Japan and South Korea regarding Japan's militaristic past and how it deals with it poses an obstacle to significant security cooperation between the two U.S. allies and thus for the triad this is clearly not the case for the trilateral defense relationship between Japan, the U.S. and Australia (Japanese Defense White Paper 2016, pp. 325–326).

Japan, the U.S. and Australia

Probably the trilateral defense arrangement with the highest diplomatic density is the one between the U.S., Japan and Australia. As U.S. allies both Australia and Japan share the same norms, values and interests with regard to democracy, freedom of the seas and the willingness to apply international norms such as the United Nations Law of the Sea to regional maritime issues. These common denominators gave rise to the "Trilateral Security Dialogue" (TSD) since 2006 and the establishment of the "Security and Defense Cooperation Forum" (SDCF) in 2007. These regular and institutionalized defense dialogues between Australia, Japan and the United States intensified in recent years. They also fostered training exercises such as Talisman Sabre, which is a significant Australian and United States military training exercise aimed at planning and conducting defense operations. With respect to training and experience the Japanese Self-Defense Forces took part in this exercise for the first time in July 2015. The main reason for the intensification of this cooperation is the perceived growing assertiveness of China in the South and the East China Sea (Schoff 2015).

Japan, the U.S. and India

The U.S., Japan and India conduct military exercises on a regular basis. The Malabar exercise which initially has been an exclusive bilateral exercise between the US and India became more inclusive and thus allowed for the participation of Australia and Japan in recent years. Apart from these trilateral exercises all three countries have been engaging in a defense dialogues since 2011 at the director general level. In 2015 it was decided to elevate the trilateral dialogue to the foreign-ministers level. This diplomatic upgrade was done in order to further consolidate the strategic partnership between the three states. At the Ministerial inaugural meeting all three foreign ministers stated their common support for democracy, peace and a rule-based international order. With regard to the South China Sea the three ministers emphasized the need to maintain maritime security through peacefully settling conflicts on the basis of international law and to ensure freedom of navigation and overflight (Rajagopalan and Sylvia Mishra 2015).

4 Conclusion

Intra-Asia Pacific defense cooperation matters in the current security architecture. The respective agreements have risen due to insecurities linked to the growing assertiveness of China and a possible downsizing of American strategic influence

in the region. The numerous intra-Asia Pacific institutions are mainly bilateral, informal and emanate from the willingness and capabilities of (new) security hubs such as Japan, Australia and possibly India in the future to share defense expertise and hard power with likeminded partners in the region. All these intra-defense agreements form what we call the 2nd order security architecture. While the 1st order consists of the formal bilateral US-led alliances with specific states in the Asia Pacific as well as multilateral relations, the U.S. is not out of the strategic game in the 2nd order. This is obvious when considering the fact that the most important trilateral or minilateral defense agreements are steered by the United States. Moreover, all of the 2nd order agreements are concluded between spoke-countries of the 1st order and partner countries of the U.S. Yet, with uncertainties in US home politics and insecurity rising in the Asia Pacific the demand for intra-regional security cooperation is likely to rise even further. The 2nd order satisfies this need and remains open to new demands due to the open and informal design of the respective defense agreements. What are the effects of the new intra-Asia Pacific defense arrangements? The high degree of defense diplomacy, the significant rise of joint military exercises and training as well as increasing spoke-to-spoke arms sales are all features and consequences of the rise of 2nd order defense cooperation or institutions. These already have challenged the dominance of economic cooperation over defense cooperation in the region. Most probably high politics will become more important than low politics in a region that needs more security or defense cooperation than ever before to ensure stability.

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Sino-American Competition as Security Suppliers in the Asia-Pacific

Tongfi Kim

1 Introduction

Competition between China and the United States has been a central focus of global power politics for some time now (e.g., Christensen 1999, 2015; Ross 1999, 2006; Mearsheimer 2001, 2010; Chan 2007, 2012; Friedberg 2011; White 2012; Liff and Ikenberry 2014; Glaser 2015). This competition is most intense in the Asia-Pacific, because it is China's home region. Security affairs in this region matter most to Beijing, and this is where China has the best chance of challenging U.S. primacy in security affairs.

This article examines the competition between China and the United States in security affairs in the Asia-Pacific region, with special focus on their role as suppliers of security. The United States in the post-Cold War period has enjoyed a monopolistic position as a security supplier, but there is a perception that the rise of China is changing the structure of the international system. This perception creates competitive dynamics between the United States and China, even when we analytically disregard the military threats they pose against each other. The theoretical framework of supply competition leads us to expect certain behaviors from China and the United States, and this article finds that their rhetoric and policy fit the theoretical expectations. Namely, China, as a newly emerging supplier, will invest in supply capacity and offer cheaper or differentiated forms of security. Meanwhile, the United States will be more generous in offering military protection in order to retain the monopolistic structure of the international security market.

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Literature on Sino-American competition in security affairs has predominantly focused on the threats these states pose to one another or to third parties—and the resulting demand for military protection. This is unfortunate because security relations cannot be understood without also paying attention to who is able and willing to supply military protection to meet this demand. Even when the United States' and (less frequently) China's role as suppliers of security are implicitly under examination, the issue has not been distinguished from the analysis of threats. For instance, scholars have typically debated security alignment in the Asia-Pacific in terms of "balancing" (e.g., Chan 2012; Bloomfield 2016; Hughes 2016; Liff 2016) or "hedging" (e.g., Medeiros 2005; Matsuda 2012; Tessman 2012; Wolfe 2013; Lim and Cooper 2015) against some threats.[1] Rather than analyzing everything in terms of threats, this article explicitly differentiates the demand for and supply of security and focuses on the latter.

There are at least three important reasons for us to pay more attention to the supply side of security dynamics. First, Sino-American competition as security suppliers is currently more relevant to peace of the Asia-Pacific than Sino-American bilateral security competition (e.g., in military build-up and espionage). Competition as suppliers inevitably involves other states and entails sharing of their military risks. This does not necessarily pose a greater danger than that of bilateral security competition, but current Sino-American relations are relatively benign.[2] Although there are real tensions between China and the United States, military conflict between them is far from inevitable, and their mutual threat perceptions have not triggered full-scale military balancing by either state. When

[1]"Bandwagoning" is usually also analyzed in terms of threats (Wright 1942; Waltz 1979; Walt 1987; cf. Schweller 1994), but not when it is applied to current situations in the Asia-Pacific. It does not make sense for Asia-Pacific states to bandwagon (i.e., to side with a *stronger* power) with a threatening China as long as the United States continues to be the stronger power and engages in the regional security affairs. Analysts can, of course, explore the future possibility of regional states bandwagoning with China for security reasons. There are countries currently aligned with China for economic or ideological reasons, but it is a conceptual overstretch to call their behavior as (military) bandwagoning. For various forms of alignment, see Wilkins (2012).

[2]Moreover, during the U.S.-Soviet Cold War, when the bilateral security competition presented a higher level of hostility and danger, military conflict was still fought over the fate of other states, with the two superpowers being the suppliers of security.

analysts express concerns about the risk of military conflict between them, it is usually over disputes involving other actors, such as Taiwan, Japan, and the Philippines, due to the role of the United States as a security supplier.[3]

Second, Sino-American competition as security suppliers is more important to the international relations of the Asia-Pacific than Sino-American bilateral security competition. Whichever performs better in the supply competition will have more influence in the region because a security supplier gains political and economic influence over its clients in exchange for military protection (e.g., Nye 1990, p. 31; Boyer 1993; Gavin 2003; Norrlof 2010; Brooks et al. 2012). In contrast, better performance in the bilateral security competition does not automatically give China or the United States influence over other states, although military advantage in the bilateral competition helps one in competition as suppliers. Theoretically, a state can also gain influence from being a threat to others, but this approach is less effective because military coercion is a difficult exercise in contemporary international relations (compare, for instance, the difficulty the United States has with North Korea).[4]

Third, better understanding of the supply side dynamics is crucial in studying international security at the system level, beyond individual states' foreign policy (Waltz 1979). In other words, analyzing the supply side helps us reflect on what our current international system looks like, and how it is changing. There is a widely shared perception that the United States has declined relative to the rest of the world (Zakaria 2008) and especially relative to China.[5] If U.S. military primacy erodes, it will likely lead to a structural change in the supply patterns of security. After the end of the Cold War, the United States became a unipolar power, and no other state was left as an alternative supplier of effective military protection (Kim 2016a). Now, China's rise presents a challenge to this U.S. monopoly in the supply of security. In the long run, if China continues to grow stronger, the international system can become bipolar (or multipolar with other polar powers). Even in the shorter term, while the United States still retains its

[3]China has a defense pact with North Korea, but China's willingness to defend the regime in Pyongyang is at best questionable.

[4]One could argue that not threatening another actor is an important, albeit negative, form of supplying security, but I leave this to the domain of threat analysis.

[5]"For the first time in surveys dating to 1974, more than half of the [American] public (53%) says the United States plays a less important and powerful role as a world leader than it did a decade ago, according to the Oct.-Nov. 2013 survey" (Pew Research Center 2014).

military advantages, U.S. behavior toward the consumers of its military protection should change if the United States wishes to prevent China from becoming the alternative supplier of security.[6]

In the next section, I elaborate on what competition among security suppliers means and why it matters. In the subsequent sections, I illustrate symptoms of the Sino-American competition as security suppliers. The conclusion discusses the implications of the article's findings.

2 Competition as Security Suppliers

One important premise of the following analysis is a limited number of security suppliers in international relations. Theoretically, every state is a potential security supplier—as well as a potential threat—to other states. In reality, however, the number of states that can project military power in support of another state in a meaningful manner is limited. For instance, during the U.S.-Soviet Cold War, the two superpowers were in their own league as suppliers of security, although other countries occasionally played important roles as well (e.g., China in the Korean War and the Vietnam War). In both inter-state and intra-state wars, and for that matter in peacetime as well, virtually everyone in the international system looked to these two states for provision of security.

Although two suppliers do not sound like much, the presence of an alternative supplier put pressure on the United States and the Soviet Union to seek and retain clients in a competitive manner. This in turn gave bargaining advantage to small powers. As Cold War historian John Lewis Gaddis (2006, p. 128) points out,

> There were limits to how much either Moscow or Washington could order smaller powers around, because they could always defect to the other side, or at least threaten to do so. The very compulsiveness with which the Soviet Union and the United States sought to bring such states within their orbits wound up giving those states the means of escape.

[6]U.S. President-elect Donald Trump advocated extracting more concessions from U.S. allies in his electoral campaign. The structural pressure, however, should push the United States to lower the price of its military protection. To be clear, what I mean by "price" is not restricted to monetary value and can include political, military, and other valuable concessions.

This situation, of course, drastically changed at the end of the Cold War, when the Soviet Union could no longer remain a supplier of security.[7]

In the post-Cold War era, the security dynamics of the international system became unipolar (Wohlforth 1999; Monteiro 2014), with the United States as the sole superpower, and the only significant supplier of security at the system level. Many scholars and policy makers have talked of multipolarity as either emerging or already existing (e.g., Mearsheimer 1990; Friedberg 1993; Layne 1993; Freedman 2006; National Intelligence Council 2008), but the fact remains that the United States is still by far the strongest military power in the world (Beckley 2011; Brooks et al. 2016). This military strength has led some scholars to predict balancing against the United States, but such balancing has not materialized.[8]

In understanding U.S. foreign policy in the post-Cold War era, it is useful to focus on the lack of competition in the supply of security. Unilateralist tendencies and what appears to be hubris of the unipolar power was not so much a result of its power to bully other states as its monopolistic position in the supply of security. Granted, a unipolar power is potentially the biggest bully in the world, and other states will have a difficult time stopping it. With most states, however, the United States has no intention to use or threaten military force to have its way. What gave bargaining advantage to the United States vis-à-vis friendly states was the U.S. role as a security supplier when there was no alternative. The United States did invade Afghanistan and Iraq, but these decisions were more facilitated by these states' lack of security suppliers than bilateral military advantages the United States might have gained against these states after the Cold War. The United States was much stronger than these states during the bipolar era as well, but they had ties with the Soviet Union, which would have complicated U.S. invasions.[9]

Like a monopolist in a market, a unipolar power has a strong bargaining advantage vis-à-vis other states, because states who seek effective military protection have nowhere else to turn but to the dominant actor. Consequently,

[7]The collapse of the Soviet Union in 1991 finalized this, but the process had begun earlier, as can be seen in policies such as the Soviet withdrawal from Afghanistan in 1988/1989.

[8]Some scholars resorted to the concept of soft balancing because there was little evidence for traditional balancing against the United States. For the debate on American primacy and soft versus hard balancing, see Brown et al. (2009).

[9]The Soviet Union had a consultation pact with Iraq from 1972 and became "Iraq's largest supplier of arms and military technology in the 1980s," but the Soviets abrogated it in September 1990 after the Iraqi invasion of Kuwait (Gibler 2009, p. 456).

despite reduced demand for U.S. military protection in many parts of the world, the United States became "indispensable" after the Cold War: "Only the United States had the power to guarantee global security: without our presence or support, multilateral endeavors would fail" (Blumenthal 2003).[10] The United States therefore could behave with less regard to other states' concerns, and other states nevertheless made efforts to retain or obtain U.S. military protection.

In the post-Cold War era, Japan, for example, increased its host nation support to the U.S. forces in Japan and also expanded the scope of its military activities to share a larger burden of the allied defense. South Korea also increased its host nation support and gave more flexibility to the use of U.S. forces stationed there, whose purpose in the past was limited to deterrence and defense against North Korea. European allies decreased their defense budgets, but NATO members still pursued a division of labor with the United States to "make the alliance more worthwhile for the hegemon" under unipolarity (Press-Barnathan 2006, p. 285). Many Central and Eastern European states supported the Iraq War because they were anxious to please Washington. Even the opponents of the war, such as France and Germany, tried to placate the United States through efforts in other areas (e.g., International Security Assistance Force in Afghanistan).

Due to the rapid rise of China, however, there is a perception that the United States is relatively declining and that the unipolar structure is under stress. While China has been showcasing its achievements through events such as the 2008 Olympics in Beijing and rapidly increasing its military budget, the global financial crisis of 2007–2009 imposed constraints on the U.S. military budget, which was already under strain from the costly wars in Afghanistan and Iraq. Although China's power projection capability is still limited (Blair 2008; Shambaugh 2013; O'Rourke 2015), China's rising power is widely acknowledged across the world. According to Pew Research Center's Spring 2015 Global Attitudes Survey, majorities or pluralities in 27 of 40 countries surveyed say that China has already replaced or will eventually replace the United States as the top superpower (Pew Research Center 2015, p. 26). As the world begins to see China as an emerging superpower, many are likely to see it as a potential security supplier as well.

[10]The phrase "indispensable nation" became prominent through Secretary of State Madeleine Albright's use. Zenko (2014) criticizes "the myth of indispensable nation" but concedes that the United States "can be truly indispensable in a few discrete domains, such as for military operations."

What are the implications of China's potential to enter the international security market as a major supplier? Granted, a powerful state does not necessarily choose to be a security supplier, as can be seen in U.S. foreign policy before the Second World War. Most, if not all, great powers, however, accept such a role in the long term, presumably because it serves their interests. As will be discussed later, there are indications that Chinese leaders are interested in entering the market. First, in order to become a supplier, China needs to acquire capacity to provide security to other states. China would therefore increase its power projection capabilities. Second, China needs to cultivate new clients with more effective, cheaper, or differentiated forms of security. Given that the United States has a large advantage in military capabilities, China will have to either reduce price or find a niche currently not covered.

Third, other things being equal, the United States is more likely to make concessions to its clients when Washington faces supply competition from Beijing. Even before China becomes a full-grown competitor, Washington has incentives to be generous to prevent the entry of China in the market. Short-term loss can be recovered with the long-term benefit of maintaining a monopolistic market for its military protection. In reality, rising military capabilities of China are likely to increase demand for U.S. military protection, creating upward pressure for the price of U.S.-supplied security. Clients, however, can also deliver military values to patrons, for example, by providing military bases. Thus, to the extent that the United States itself is directly threatened by China militarily, Washington will have additional incentives to lower the price or increase the quantity of its military protection. In the following sections, I describe Chinese and American rhetoric and policies in recent years to support my argument.

3 China's Strategy as a New Supplier

The remarkable economic development of China has enabled a major upgrade of its military, including power projection capabilities. China has its comparative military advantage in the East Asian mainland (Ross 1999), and its core interests are best protected militarily by countering power projection capabilities of the United States in China's own neighborhood (Montgomery 2014). In other words, investment in power projection capabilities, which tend to be more expensive, is not an efficient way to compete militarily against the United States. Nevertheless, China has spent large sums of money on power projection capabilities for operations

outside its home ground.[11] Ross (2009) argues that nationalism is driving China's naval ambition, and Pu (2016) points out that conspicuous projects such as building of aircraft carriers has non-instrumental, symbolic values in domestic politics. While they are probably both right, I argue that investing in power projection capabilities can also serve an instrumental purpose at the international level—namely, to highlight the rise of China as a security supplier.

In order for China to become a security supplier, it needs to be able to project military capabilities outside its borders.[12] No matter how strong China becomes within its borders, its military power will be useless to a client unless China can offer support over distance. In this regard, China's expensive investment in power projection capabilities works as a signal to other states that China's national power is rising and it will in the future be able to serve as a security supplier. China's maritime disputes in the East and South China Seas have alarmed many states, but its stronger maritime presence has demonstrated the increased potential of China to supply security to states in the region (this potential, of course, also presents threats and demand for security). Even in far distant waters off the Horn of Africa, China has increased its naval presence through its counter-piracy operations.

As China's military power grows, many suspect that the country is shifting its foreign policy to a more proactive direction. One important debate about Chinese foreign policy in recent years is whether China has abandoned its *Tao Guang Yang Hui* strategy, which the influential Chinese scholar Yan Xuetong translates as "keeping a low profile" strategy.[13] Yan (2014) argues that Chinese foreign policy has shifted from "keeping a low profile" to "striving for achievement" in recent years, especially under Xi Jinping's leadership. Yan, who predicts the emergence of a bipolar world, makes the case that China needs to become a security supplier.[14]

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[11]In his discussion of developments in China's military force projection and expeditionary capabilities, Heath (2016) argues that China shifted its defense policy from one of homeland defense to what he calls "peaceful expansion."

[12]On the legal side, the "new counter-terrorism law passed at the end of 2015 will, for the first time, legalise sending Chinese troops for combat missions abroad without a UN mandate. This is seen by many as a precursor to more foreign military operations" (Clover and Lin 2016).

[13]The *Tao Guang Yang Hui* strategy is attributed to Deng Xiaoping. On the evolution of the concept, see Chen and Wang (2011).

[14]Yan argues that China should scale back its economic assistance and switch to military aid: "Military aid should be given to friendly countries to improve strategic cooperation and secure political support." See Huang (2016)'s interview of Yan on *New York Times*.

> For the second largest power to balance against the top power, it needs strategic allies more urgently than economic profits…When the strategy of annexation is not available, the competition will turn to how to make more allies…The key necessary condition for a major power to rise up is to establish its international leadership based on solid strategic credibility. A rising power cannot build up its global strategic credibility without providing security protection and economic benefits to other nations, especially its neighbors (Yan 2014, pp. 159–160).

Yan's argument is, in a way, a radical departure from China's foreign policy tradition. As a major power, China has been exceptionally inactive in alliance politics.[15] Zhang (2012, p. 129) observes that "alliance rhetoric had begun to diminish with the deterioration of Sino-Soviet relations after the late 1950s, to be finally delegitimised in 1982, when the 12th Party Congress established an 'independent and self-reliant foreign policy of peace.'" Since then, "Beijing has consistently rejected alliance as a foreign-policy principle, denigrating it as a relic of the Cold War unpalatable to Chinese morals. Yet alliance thinking is making a comeback in China's intellectual and policy communities" (Zhang 2012, p. 130).[16]

Due to the tradition of anti-alliance rhetoric and the much better position of the United States in alliance politics, Chinese leaders still seem to be critical of supplying security through military alliances. In his speech at the Conference on Interaction and Confidence Building Measures in Asia (CICA) in May 2014, for example, Chinese President Xi Jinping implicitly criticized the United States and its allies by saying that "To beef up and entrench a military alliance targeted at a third party is not conducive to maintaining common security" (Xi 2014).

In the same speech, however, Xi stated that China intends to play an active role in the promotion of a new security concept in Asia. It is not clear how the "new security concept featuring mutual trust, mutual benefit, equality and coordination" affects the supply patterns of security in Asia, but Xi argues that external actors do not have a place in this concept.

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[15]According to the Alliance Treaty Obligations and Provisions (ATOP) dataset (version 3.0; Leeds et al. 2002), China currently has only one alliance agreement with a defense obligation (with North Korea since 1961), and its other two agreements (a bilateral one with Russia and the multilateral Shanghai Cooperation Organization starting in 2001) have only the obligation of consultation.

[16]Xu Jin at the Chinese Academy of Social Sciences argues that, since 1648, there has never been a great power which pursued a policy of rejecting alliances and that China rejects alliances because of misunderstandings (Goldstein 2016).

> [It] is for the people of Asia to run the affairs of Asia, solve the problems of Asia and uphold the security of Asia. The people of Asia have the capability and wisdom to achieve peace and stability in the region through enhanced cooperation (Xi 2014).

This rhetoric helps undermine the existing, cross-regional supplier–client relations between the United States and Asian states while creating new space for intra-regional supply of security. In the short term, China in any case cannot offer military protection that matches the value of U.S.-supplied security. It makes sense, therefore, for China to instead offer a differentiated form of security. In the long-term, security ties cultivated through relatively low level of security cooperation may develop into stronger relationships.

Seen in this light, China's partnership diplomacy can work as a means to offer a differentiated form of security, although China obviously has strong economic and political motivations as well. China has been very active in establishing partnerships (Strüver 2016), and when countries request strategic partnerships with China, as "a good-will move, China accepts most requests" (Feng and Huang 2014, p. 9). Some of these partnerships already have important security implications. For instance, "China and Mongolia (2011), Uzbekistan (2012), Tajikistan (2013) and Kyrgyzstan (2013) have stated in their joint statements that neither side should join any military or political alliance against each other, or allow a third party to use its territory against the other" (Feng and Huang 2014, p. 13).

Admittedly, in terms of both quantity and quality, Chinese-supplied security is far behind that of the United States. Whereas "the United States has obligations to defend anywhere from around 48 countries to close to 70" (Moorthy 2016), China has a defense obligation only toward North Korea (and even that commitment has been increasingly tenuous). Arms transfers can increase the security of client states as a complement or a substitute for alliance commitments (Yarhi-Milo et al. 2016), but China still lags far behind the United States in this regard as well.[17]

As Yan Xuetong has suggested, however, China can sweeten its security relations with economic incentives (Yan 2014; Huang 2016). Beyond being "cheap," becoming a security-client of China actually entails economic benefits. Although China's foreign aid and government-sponsored investment concentrate on countries with rich natural resources, Pakistan and Thailand, China's major partners

[17]In terms of the total arms export between 2006 and 2015, China ranks fifth, after the United States, Russia, Germany, and France (SIPRI Arms Transfers Database 2016).

in security cooperation, have also received a large amount of aid (Wolf et al. 2013). China also has considerable influence on smaller states such as Cambodia and Laos due to their economic dependence on China. Looking back, the United States in earlier decades of the Cold War also used economic incentives to strengthen its alliance ties (e.g., Diebold 1963; Schaller 1997). Literature on alliance formation has shown the importance of economic incentives in security cooperation (e.g., Viner 1929; Skalnes 1998; Long and Leeds 2006; Davis 2008; Poast 2012).

Finally, without even making efforts, China is a politically cheaper alternative source of security to non-democratic clients. The United States emphasizes democratic values in its security cooperation, but China has little reason to criticize its clients for being non-democratic. For instance, U.S.–Thai relations have experienced setbacks since the coups d'état in Thailand in 2006 and 2014, and China utilized the opportunities to deepen Thai dependence on China. On the other hand, China's non-democratic political institution is likely to make democratic states reluctant to become China's clients. China's policy of not interfering with other states' internal affairs, in theory, should allow it to have democratic security clients. It seems unlikely, however, for a democratic state to choose China over the United States, as long as the United States can supply security to the state.[18]

4 U.S. Strategy as a Defender of the Monopolistic Market

The United States, as the beneficiary of the monopolistic international security market, has an incentive to prevent China from becoming a new security supplier. To stop China's entry, the United States needs to demonstrate its continuing willingness and capacity to supply security. Furthermore, the United States will need to counter China by reducing the price or increasing the quantity of U.S.-supplied security. The U.S. pivot or rebalance to the Asia-Pacific under the Obama administration should be seen in this light, because this is the regional security market China seeks to enter. The Obama administration's rebalancing strategy aimed to "lock in a substantially increased investment—diplomatic, economic, strategic, and otherwise—in the Asia-Pacific region" (Clinton 2011). Such investment

[18]This, I argue, is the case even with an anti-American leader of a democratic state, such as the Philippine president Rodrigo Duterte, as long as the public can influence foreign policy through democratic process.

was necessary because exhaustion from wars in Afghanistan and Iraq, the global financial crisis, and subsequent budget cuts cast doubt on the credibility of the United States as a security supplier in the future of the Asia-Pacific.

By prioritizing the Asia-Pacific region, the United States has tried to sustain its position as the only major supplier of security there. Within the Asia-Pacific, the U.S. rebalancing strategy devoted increased attention to Southeast Asia and South Asia in addition to the traditionally strong U.S. engagement in Northeast Asia (Sutter et al. 2013). From the perspective of this article, this new emphasis also serves the purpose of countering China, because China seems to have a better chance of attracting clients in Southeast Asia (especially those on the mainland such as Thailand, Myanmar, Cambodia, and Laos) and South Asia (Pakistan, Bangladesh, and Sri Lanka) than elsewhere.[19] In some cases such as Myanmar, the United States has succeeded in making gains with China's traditional friends—much to the frustration of Beijing (Steinberg 2013).

Increased diplomatic interactions with the regional states signaled U.S. resolve to stay in the region. Secretary of State Clinton visited Asia-Pacific states significantly more than her predecessors (Manyin et al. 2012, pp. 16–17). President Obama (2009) declared that he, as "America's first Pacific President," will strengthen U.S. leadership in the Asia-Pacific region. In contrast to the previous administrations' hesitation with the ASEAN Treaty of Amity and Cooperation, the Obama administration pleased Southeast Asian states by signing the treaty in 2009 (Bader 2012, p. 13). Subsequently, the United States joined the East Asia Summit in 2011. In South Asia, the Obama administration initially had cooler relations with India than the George W. Bush administration, but India-U.S. relations improved as China showed assertiveness from around 2010 (Twining 2012). The increased importance of South Asia in U.S. diplomacy has been reflected in frequent use of "Indo-Pacific" in place of the Asia-Pacific.[20]

Militarily, the U.S. government has been trying to convince the regional states that the United States will supply more security despite budgetary restrictions,

[19]Sino-South Korean relations have significantly improved under South Korean President Park Geun-hye (Hwang 2014), and China seeks to neutralize South Korea, but the strong U.S.-South Korea alliance makes it unlikely for Seoul to become Beijing's client in the foreseeable future. On Asia-Pacific states' responses to the U.S. rebalancing strategy, see Green and Szechenyi (2014), Berteau et al. (2014) and Tow and Stuart (2015). Kim (2015) offers a brief explanation of factors that influence these states' attitudes toward the U.S. rebalancing.

[20]Pakistan, a military ally of the United States (though the U.S. Department of State does not list it as a country in a collective defense agreement with the United States), has traditionally

without pressuring them to pay more in return. In his speech at the Australian Parliament in November 2011, Obama pledged that "reductions in U.S. defense spending will not—I repeat, will not—come at the expense of the Asia Pacific." As naval capabilities are key to U.S. supply of security to the Asia-Pacific, the 2012 Strategic Guidance of the U.S. Department of Defense focused reductions on Army and Marine ground forces, while preserving U.S. naval capabilities (U.S. Department of Defense 2012). In 2012, then U.S. Defense Secretary Leon Panetta announced that the U.S. Navy would redeploy its forces from its current 50–50 % split between the Pacific and the Atlantic to a 60–40 % split by 2020. In 2013, his successor Chuck Hagel stated that the United States had committed and would continue to commit 60 % of overseas air forces to the Asia-Pacific (Alexander 2013). Thus, the United States is focusing its resources to the region.

The United States has also taken specific initiatives to increase its supply of security to the region. The U.S. Marines have been deployed on a rotating basis in Darwin, Australia since 2012 (Schehl 2016). In 2014, the United States and the Philippines signed the Enhanced Defense Cooperation Agreement, which facilitates the deployment of American military personnel in the Philippines on a rotational basis.[21] At the request of the Japanese government, which wishes to balance against the threat of China, the United States agreed to the new Guidelines for U.S.-Japan Defense Cooperation in 2015 (Nagashima 2015). In 2016, India and the United States signed a bilateral logistics exchange memorandum of agreement, which was regarded as a landmark agreement in their defense cooperation (Lakshmi 2016). The United States also plans to rotationally deploy four littoral combat ships in Singapore by 2018 (Gady 2015).

The United States does not wish to provoke China, but it has taken steps to reassure regional states against potential Chinese threats, especially regarding China's maritime disputes. Obama administration officials repeatedly confirmed the U.S. alliance commitment to defend Japan in the Senkaku/Diaoyu dispute (Kim 2016b, p. 9). In the South China Sea, where China has been engaging in massive land reclamation since September 2013 (Dolven et al. 2015), the

maintained close security cooperation with both the United States and China. In the post-9/11 period, Pakistan has also been one of the leading recipients of U.S. foreign assistance. In recent years, however, Pakistan has drifted closer to China, because of improved India-U.S. relations and frictions related to the "war on terror" (Kronstadt 2015).

[21]However, newly elected Philippine President Rodrigo Duterte has expressed his desire to abrogate the agreement.

United States has conducted the so-called Freedom of Navigation operations in the South China Sea by transiting inside 12 nautical miles of China's artificial islands (Panda 2016). In addition, the United States has provided assistance to the maritime capacity building of countries such as Vietnam, the Philippines, Malaysia, and Indonesia. In 2015, U.S. Secretary of Defense Ashton Carter announced the Southeast Asia Maritime Security Initiative, which will provide equipment and training to Southeast Asian states. In sum, the United States in recent years have become more generous toward its existing and potential clients in the Asia-Pacific.

5 Conclusion

In this article, I argued that we need to pay more attention to the competition between China and the United States as suppliers of security in the Asia-Pacific, because most analyses have focused on demand for security created by threats. Due to the rise of China and budgetary constraints on the U.S. military, there is a perception that the U.S. position as the only effective supplier of security is being challenged. I explained how the supply competition affects the incentives for China and the United States, and how their rhetoric and policy fit the theoretical expectations. In recent years, as the gap between Chinese and American military capabilities became smaller, both China and the United States have been advertising their power-projection capabilities and seeking stronger ties with potential and existing clients in security affairs. The main implication of this article is that smaller states' bargaining positions vis-à-vis China and the United States improve as a result of the supply-side competition.

There are at least two important questions related to implications of this article's argument. First, will many in the world continue to see China as a potential superpower who could supply security in the Asia-Pacific region? I cannot predict the future trajectory of China's military power, but China will remain a formidable military power in the region because it has already achieved significant strength. Even when China stops its rapid growth or even starts to decline, China will likely remain the biggest challenge to the U.S. military primacy in the region. Thus, potential for Sino-American supply competition will linger in the region for many years to come.

Second, my argument rests on the assumption that the United States will try to retain its role as a security supplier in the region, but is this feasible in the face of significant unpredictability about U.S. foreign policy under President Trump? Both Trump's rhetoric during his campaign and writings of his national security

advisers so far suggest that Asia-Pacific states have strong reasons to worry about the sustainability of stable and cooperative supplier-client relationships.[22] As Rapp-Hooper (2016) writes,

> There is a painful irony to be found in the likely consequences of Trump's election for Asia. The Obama administration's rebalance, despite its flaws, sought to demonstrate to the region that China's rise did not spell U.S. decline. Trump's victory and his team's embryonic "America first" foreign policy could convince Asian states to give up on Washington.

Rapp-Hooper (2016) is correct to point out that significant damage has already been done, and it is not easy to repair the U.S. credibility. Nevertheless, the United States continues to be the most capable military power in the Asia-Pacific region, and this fact will keep this article's analysis relevant in the coming years. Even if the Trump administration disengages from regional security—which is unlikely on a large scale—the United States has the capacity to re-engage the region in the future.

In this article, I did not analyze threats and demand for security to focus on the supply-side dynamics. In reality, however, threats perceived by various states in the region will significantly affect their security ties. For instance, the more directly the United States is threatened by China's military power, the more generous the United States will be toward Asia-Pacific states. When the United States itself is not threatened, Chinese threats against other Asia-Pacific states increase demand for U.S. military protection, thereby improving the U.S. bargaining position. Similar things can be said about China and its policy toward the regional states. A security client, therefore, will obtain bargaining advantage vis-à-vis its security supplier (a) by improving relationships with threatening states and (b) by preventing collusion among security suppliers.[23] In pursuit of security and other interests, states therefore need to pay attention to both demand for and supply of security.

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[22]Gray and Navarro's (2016) "Peace Through Strength" vision for Trump foreign policy is more amenable to the continuation of U.S. supply of security, but their tone suggests that they do not see the need to retain clients by becoming more generous.

[23]Both policies, however, have their own risks. Policy (a) has the risk of alienating the security supplier (and being abandoned by the supplier), while policy (b) entails the higher risk of conflict between the competing security suppliers (and being entangled by one's supplier into the conflict). See Snyder (1984, 1997) for the trade-off.

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Paul Kennedy's Conception of Great Power Rivalry and US-China Relations in the Obama Era

Robert G. Patman and Timothy G. Ferner

1 Introduction

According to Paul Kennedy, the international standing of a great power depends on a delicate balance between its military expenditure and economic capability. He posits that military overstretch and a relative political decline are the constant twin threats facing powers whose ambitions and military commitments exceed the capacity of their economic resource base. Does the evolution of the US-China relationship during the Obama era confirm the Kennedy thesis that no great power can exercise its dominance permanently? Is the Obama approach towards China simply an attempt to manage American decline at time when China has gained impressive momentum as a major economic power in the world?

In a conscious early attempt to move US-China relations away from a zero-sum conception of great power relations, the Obama administration was quick to embrace a measured approach toward Beijing that combined engagement and competition. On the one hand, President Obama said he wanted China to assume responsibilities commensurate with its rising power status. These responsibilities included engaging with the challenges of halting or curtailing the Iranian and North Korean nuclear weapons programs. On the other hand, President Obama acknowledged there would, on occasions, be conflicts of interests and values between the US and China, and that the US would not shy away from competition

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in such situations (Obama 16. November 2009). As this paper will show, the twin-track approach has had uneven results but its application by Washington is a pragmatic recognition that globalization is changing the cyclical pattern of great power rivalry and placing new constraints on all actors, including superpowers[1] (Fox 1944).

2 Paul Kennedy's Conception of Great Power Rivalry

Great Power politics has traditionally been viewed in terms of an unmitigated struggle for power among nation-states. In particular, scholars like Paul Kennedy attribute almost constant and cyclical Great Power conflict to the supreme value that states attach to superior relative power.

In his 1987 book, *The Rise and Fall of the Great Powers: Economic Change and Military Conflict from 1500 to 2000*, Paul Kennedy examines the politics and economics of the Great Powers over five centuries and the reason for their decline. The book then predicts the fortunes of five great powers—China, Japan, the European Community (EC), the Soviet Union and the United States—in the period through to the end of the 20th century.

In essence, Kennedy accepts the realist premise that states are the key actors in the international arena, but argues that the strength of a great power can only be measured in relative terms. He provides a clear and persuasively argued thesis. According to Kennedy, the ascendency of a great power over the long term or in specific conflicts is strongly correlated to available material resources and economic performance. That is, the international standing of a great power depends on a delicate balance between its military expenditure and economic capability. Kennedy posits that military overstretch and a relative decline are the constant twin threats facing powers whose ambitions and military commitments exceed the capacity of their economic resource base (Kennedy 1987, pp. 338–339).

A key thrust of Kennedy's theory is distilled in the following passage:

"The triumph of any one Great Power in this period, or the collapse of another, has usually been the consequence of lengthy fighting by its armed forces; but

[1]William T. R. Fox defined a superpower in 1944 as a "great power plus great mobility of power". In other words, the ability to project power globally was a defining feature of a superpower and distinguished that actor from great powers that could only extend their power in the region in which they were located.

it has also been the consequences of the more or less efficient utilization of the state's productive economic resources in wartime, and, further in the background, of the way in which that state's economy had been rising or falling, *relative* to the other leading nations, in the decades preceding the actual conflict. For that reason, how a Great Power's position steadily alters in peacetime is as important to this study as how it fights in wartime" (Kennedy 1987, p. 15).

It should be added that the interaction or balance between the military requirements and economic capacity of a great power is a dynamic one:

> The relative strengths of the leading nations in world affairs never remain constant, principally because of the uneven rate of growth among different societies and of the technological and organizational breakthroughs which bring a greater advantage to one society than to another (Kennedy 1987, p. 15).

Historically, therefore, no great power had managed to exercise its dominance permanently and Kennedy maintained there was no reason to believe that this pattern would change in the future. There would always be winners and losers when it came to great power relations.

Using this framework, Kennedy compared the great powers of the 20th century and predicted the decline of the Soviet Union, the rise of China and Japan, mixed fortunes for the EC, and the eventual decline of the United States. Kennedy's assessment of the US was based on three elements. First, the US economy was said to be declining in relation to the world's other major economies. Second, because a healthy economic base was a precondition for military strength, the US would experience a loss of military and, consequently, political power. Third, Kennedy believed that the root cause of America's economic problems was a consistent pattern of over-expenditure on its military sector. Thus, Kennedy's advice to US decision-makers was to recognize that the broad trends of decline were underway and adopt a mix of policies to help minimize the impact of this decline in the international arena. He asserted that the world was moving from a bipolar to a multipolar international system where US power would be subject to growing challenges (Kennedy 1987, p. 15). But providing all the Great Powers acted with some degree of self-restraint, the international system would remain relatively secure. For Kennedy, world politics in the 21st century was still largely determined by the activities of the Great Powers (Kennedy 2013).

3 Globalization and Obama's Refashioning of US National Security Policy

The process of 'thickening' globalization has profoundly shaped the post-Cold War international system. Globalization could be broadly defined as the intensification of technologically driven links between societies, institutions, cultures, and individuals on a world-wide basis. According to McGraw and Held, globalization has two interrelated dimensions. On the one hand, the concept of globalization represents a set of processes, which generate linkages and interconnections beyond the scope of delineated physical and human borders and therefore contributes to the de-territorialisation of social interaction (Held and McGrew 1993, p. 292; Hughes 2002, p. 424). On the other hand, globalization also involves a reinvigoration "in the levels of interaction, interconnectedness and interdependence between the states and societies, which constitute the modern world community" (Held and McGrew 1993, p. 292). Overall, globalization implies 'a shift in geography' whereby borders have become increasingly porous (Scholte 2001, p. 14) and where distances, either physically or representationally, have been dramatically reduced in the time taken to cross them. As a consequence, the world is perceived as a smaller place as issues of the environment, economics, politics and security intersect more deeply at more points than previously was the case (Clark 1997, p. 15).

But diplomats and scholars have been divided on the significance of globalization for the evolution of the post-Cold War order. Three rival perspectives have been evident. For some observers like Kenichi Ohmae and Francis Fukuyama (Ohmae 1990; Fukuyama 1992)—often referred to as the hyperglobalizers—it was anticipated that globalization would eventually lead to the demise of the sovereign state and reconstitute a world order based on Westphalian norms. In contrast, the skeptics or realists, which has included the likes of Paul Hirst, Grahame Thompson and John Mearsheimer (Hirst and Thompson 1999; Mearsheimer 2001) within their ranks, contended that the impact of globalization on the system of states was much exaggerated. On this view, the state is not the victim of this process, but its main architect. To realists, globalization reflects the dominant influence of the major powers led by the US in the international system and is largely synonymous with Americanisation (Kay 2004, p. 11). Finally, transformationalists like Anthony Giddens, David Held and Anthony McGrew, and Michael Mann (Giddens 1990; Held and McGrew 1998, pp. 219–245; Mann 1997, pp. 472–496) have rejected the tendency to juxtapose state sovereignty and globalization and maintain that the state is neither automatically diminished by globalization nor

unaffected by it. Rather, globalization is reconstituting or transforming the power, functions and authority of the nation-state and ushering in a post-Westphalian world in which there is recognition of the growing interconnectedness between states and societies (Held and McGrew 1998, pp. 220–221).

In the post-Cold War era between 1989 and 2008, the American approach to international security could be broadly located along a spectrum between the views of the realists and transformationalists. For much of this period, American national security policy[2] was largely realist in orientation despite a radically reshaped global security environment (Patman 2010, pp. 79–130). To a large extent, even after 9/11, globalization was assumed to be synonymous with Americanisation. The advent of the Obama Administration in 2009, however, appeared to signal a clear departure from the unilateralism of the Bush years and a revival of the "assertive multilateralism" that had briefly characterized the U.S. leadership approach before the Somalia debacle of 1993. Barack Obama had campaigned against George W. Bush's ideas and approach to foreign policy, and his election victory in November 2008 seemed to mark a new respect for the international impact of globalization.

According to Obama, the "simple truth" of the 21st century is that "the boundaries between people are overwhelmed by our connections" (Obama 11. July 2009). The Obama administration said that the U.S. faced an "extraordinary array of global challenges" in the post-Bush era. These challenges included "poorly guarded nuclear weapons and material, a global financial meltdown, conflicts in Afghanistan and Iraq, Iran and North Korea building their nuclear weapons capabilities…pandemics and a climate that is warming by the day" (Obama 11. July 2009). Further, these "are transnational security threats that cross national boundaries as freely as a storm. By definition, they cannot be tackled by any one country alone" (Rice 2009). To renew American leadership in the world, President Obama pledged "to rebuild the alliances, partnerships, and institutions necessary to confront common threats and enhance common security… America cannot

[2]Until the battle of Mogadishu in October 1993, the US had followed a 'new world order' or 'assertive multilateralism' approach to international security in the post-Cold War era based on a partnership between the power of the US and the authority of the UN. But after the Somalia debacle that stance gave way to a more traditional, state-centred national security approach that ruled out US involvement in UN peace operations in civil conflicts unless American national interests were considered to be directly at stake. That approached intensified during the first nine months of the Republican administration of President George W. Bush when there was a clear strengthening of unilateralist tendencies in US foreign policy and essentially resurfaced some three months after 9/11.

meet the threats of this century alone, and the world cannot meet them without America" (Obama July/August 2007). In a July 2008 speech in Germany, Obama stated that 'partnership and cooperation among nations is not a choice; it is the one way, the only way, to protect our common security and advance our common humanity…' (Obama 24. July 2009).

Early in the Obama administration, the President had committed himself to reducing the role of nuclear weapons in the international system. According to Foot and Walter, under the Obama administration, the 'pendulum has swung back to a rhetorical emphasis on treaty-based agreements and multilateral action, marked in 2010 by a vigorous effort to achieve a final document based on a consensus at the NPT [Nuclear Non-Proliferation Treaty] Review Conference that year' (Foot and Walter 2011, p. 151). The Obama administration placed great emphasis on nuclear non-proliferation in the 2010 US National Security Strategy, where it was argued that 'international peace and security is threatened by proliferation that could lead to a nuclear exchange. Indeed, since the end of the Cold War, the risk of a nuclear attack has increased…that is why reversing the spread of nuclear weapons is a top priority' (United States National Security Strategy May 2010, p. 23). Obama took the 'symbolic step' of chairing the UN Security Council Summit on 'Nuclear Non-Proliferation and Nuclear Disarmament' in 2009, the first time that a Security Council Summit was chaired by a US President (Foot and Walter 2011, p. 151).

Then in a major speech in Prague in April 2009, Obama stated that "some argue that the spread of these weapons cannot be stopped, cannot be checked—that we are destined to live in a world where more nations and more people possess the ultimate tools of destruction. Such fatalism is a deadly adversary…the United States has a moral responsibility to act. We cannot succeed in this endeavour alone, but we can lead it, we can start it. So today, I state clearly and with conviction America's commitment to seek the peace and security of a world without nuclear weapons" (Obama 5. April 2009). President Obama pledged to take steps in this direction by ratifying the Comprehensive Test Ban Treaty and signing a new Strategic Arms Reduction Treaty (START) with Russia. The treaty would reduce strategic nuclear warheads deployed by each country to 1550 within seven years (MacAskill 22. December 2010).

By all indications, the Obama team had substantially redefined America's national security interests. In Ambassador Rice's words, "if ever there were a time for effective multilateral cooperation in pursuit of U.S. interests and a shared future of greater peace and prosperity, it is now" (Rice 12. August 2009). This conception of national security re-cast the notion of US global primacy. To be sure, the Obama Administration was saying that current global security challenges

could not be met without U.S. leadership. But while U.S. leadership, in the words of Susan Rice, "is necessary, it's rarely sufficient" (Rice 12. August 2009). This new stance certainly shaped the Obama administration's approach towards China.

4 Obama's China Policy

The Obama administration has developed a two-pronged approach to its strategy in dealing with China. In some of its dealings with China the United States pursues engagement while in others it's quite competitive. President Obama said that the relationship between the U.S. and China would largely shape the history of the 21st century. It was President Obama's view that the US 'should treat China as an emergent global power and that China must assume responsibilities commensurate with its increased economic weight' (Lieberthal and Pollack 16. March 2012). During his first visit to China after winning the presidency, Obama outlined his vision of greater engagement between the U.S. and China. He said that the U.S. does "not seek to contain China's rise. On the contrary, we welcome China as a strong and prosperous and successful member of the community of nations" (Obama 16. November 2009). But President Obama seemed to imply that China must be prepared to take on more global responsibilities as its economic and military power increases. He emphasized that Washington and Beijing needed to forge closer ties to address a host of international challenges whether it be lifting the global economy out of a deep recession, combating climate change, or countering nuclear proliferation. Building on a 2006 Sino-American initiative, Obama and Chinese Premier Hu Jintao established the U.S.-China Strategic and Economic Dialogue in 2009 as an annual platform for bilateral high-level discussions to institutionalize, in Secretary of State Clinton's words, "a new pattern of cooperation between our governments and a forum for discussion" (US Department of State 28. July 2009). All this suggests that the Obama administration has refashioned the idea of U.S. global primacy, so favoured by his predecessor, to accommodate China as a possible partner in leadership.

The Obama administration set out its proposed China policy in its first National Security Strategy, issued in May 2010. That text stated that, "we will continue to pursue a positive, constructive, and comprehensive relationship with China. We welcome a China that takes on a responsible leadership role in working with the United States and the international community…we will monitor China's military modernization program and prepare accordingly to ensure that U.S. interests and allies, regionally and globally, are not negatively affected….we

will encourage China to make choices that contribute to peace, security, and prosperity as its influence rises" (Weitz 16. February 2015). The 2010 report acknowledged that the US and China "will not agree on every issue…but disagreements should not prevent cooperation on issues of mutual interest, because a pragmatic and effective relationship between the United States and China is essential to address the major challenges of the 21st century" (Weitz 16. February 2015).

5 Case Study in US-China Engagement—Countering Nuclear Proliferation in Iran

According to Jeffrey Bader, Obama's Senior Director for East Asian Affairs on the National Security Council, President Obama had a number of global foreign policy priorities, one of which was to halt or curtail Iranian and North Korean nuclear proliferation (Bader 2012, p. 21). According to Bader, 'in Obama's view, China's role in all these issues was important, and in some instances critical' (Bader 2012, p. 21). China also had significant relationships with both North Korea and Iran. It was hoped that China might be able to leverage North Korea regarding its nuclear weapons program. China was also 'Iran's largest trading partner and a major investor in Iran's energy sector, and therefore a player in Tehran's decisions on its future nuclear weapons program' (Bader 2012, p. 21).

China has maintained a long-standing position of complete nuclear disarmament ever since it conducted its first nuclear test in October 1964. According to Hui Zhang, China's position has not changed (Zhang 2010, p. 139). Beijing 'believes that one key step toward a nuclear-free world is to reduce the role of nuclear weapons. To constrain their role, China has maintained a purely self-defensive nuclear strategy with a no-first-use doctrine and the pursuit of a reliable minimum deterrence nuclear force' (Zhang 2010, p. 140). Following Obama's speech in Prague in August 2009, Beijing officially stated: "China is ready to work with other countries and make unremitting efforts to further promote the nuclear disarmament process and realize the goal of a nuclear-weapons-free world at an early date" (Zhang 2010, pp. 142–143). At the same time however, 'many Chinese are concerned that the United States is still increasing its nuclear deterrent and continues its strategic modernisation programs…some Chinese officials and analysts suspect the intentions behind this new move toward a nuclear-free world. They argue it could aim to constrain China's nuclear modernisation process' (Zhang 2010, p. 144). Nevertheless, on September 24, 2009, the Obama administration won the support of China at the United Nations Security Council

for the objective of a world free of nuclear weapons (United Nations Security Council Resolution 1887 24. September 2009).

In 2010, Obama prioritised engagement with China as a key component of the administration's non-proliferation strategy. (United States National Security Strategy May 2010, p. 43) This approach is still evident in the administration's revised National Security Strategy, released on February 6 2015, which declared that, 'the United States welcomes the rise of a stable, peaceful, and prosperous China [and seeks] a constructive relationship with China that delivers benefits for our two peoples and promotes security and prosperity in Asia and around the world' (United States National Security Strategy 6. February 2015, p. 24).

In particular, the Obama administration focused on the role China could play in halting nuclear proliferation in Iran. In 2009, Obama stated that 'his administration would engage Iran with respect and support its right to peaceful nuclear energy, but it was up to Iran to allow for "rigorous inspections" and prove its peaceful intent, or it would face "increased isolation" and "international pressure" (Lewis and Olson 2011, p. 213). Obama emphasised the importance of relations with China to his agenda of halting nuclear proliferation in Iran. Obama was able to persuade then President Hu 'that Iran's nuclear program was a "core interest" of the United States and that if China expected the United States to take its core interests into account Beijing needed to reciprocate on this issue' (Indyk et al. 2012, p. 196). The argument that ultimately persuaded China to engage with the US on Iranian proliferation 'was that a failure to curb the program could result in an Israeli military strike or a nuclear arms race in the Middle East. Either way, the stability so essential to the extraction and shipment of oil supplies from the Gulf to China would be placed in severe jeopardy' (Indyk et al. 2012, p. 196).

However, Teheran did not respond positively to early overtures from the new Obama administration and, as a consequence, the Obama administration emphasised a 'dual-track strategy' with Iran. That approach has rested on engagement "without illusion" (United States National Security Strategy May 2010, p. 26) and economic pressure to persuade the Iranian government to enter into negotiations on nuclear proliferation (Takeyh and Maloney 2011, pp. 1304–1305; Maloney 2012). On June 10, 2010, China voted for UN Security Council Resolution 1929 to impose sanctions against Iran, and China called on all states to implement the resolution fully and effectively (Takeyh and Maloney 2011, pp. 1304–1305; Maloney 2012). However, this had not been an easy process. According to Secretary of State Hillary Clinton, China "do not see Iran, particularly, as a threat to them. So they—after much diplomatic effort and arm-twisting, went along with the Iran Sanctions Act in the Security Council. But it's a constant, committed, determined effort for us to keep them abiding by the sanctions they agreed to" (Takeyh and Maloney 2011, pp. 1304–1305; Maloney 2012). Chinese hesitancy regarding Iranian sanctions was

also apparent following the release of the US-China Joint Statement at the Nuclear Security Summit 2010, at which time 'many within the Obama administration held the view that a PRC endorsement of sanctions was often compromised through the continued trade of nuclear related items from China to Iran' (Takeyh and Maloney 2011, pp. 1304–1305; Maloney 2012). During a visit to Beijing in September 2010, Robert Einhorn, the U.S. State Department's special adviser for nonproliferation and arms control, expressed the U.S. concern that certain Chinese companies were violating UN sanctions against Iran, perhaps without the knowledge of the Chinese government (Washington Post 30. September 2010; Garver 2011; *International Crisis Group Asia Briefing* 17. February 2010; Pomfret 18. October 2010; Downs and Maloney 2011, pp. 15–20).

Nevertheless, the Obama administration and EU officials have argued they believe the sanctions have hindered Iran's efforts to acquire carbon fiber and maraging steel, an alloy that can be used to make centrifuges that enrich uranium to fuel a nuclear bomb. The fact that Hassan Rouhani defeated Mahmoud Ahmadinejad in the Iranian presidential elections of August 2013 may be seen as some form of vindication for the twin track approach of the Obama administration towards Iran since 2010.

In November 2013, Beijing apparently played the role of broker in a 'historic deal' that Iran struck in principle with six world powers aimed at curbing Tehran's nuclear programme in exchange for initial sanctions relief (Wan 25. November 2013). It was reported that 'China pulled off a delicate balancing act in the negotiations between Iran, seen by Beijing as a long-term partner, and the US'. Hua Liming, the former Chinese ambassador to Iran, told state media that China acted as a helping broker: "When the two parties came across irresolvable problems, they would come to China, which would 'lubricate' the negotiation and put things back on track" (Wan 25. November 2013). Hua stated that Beijing welcomed the breakthrough deal with Iran, saying it would "help safeguard peace and stability in the Middle East" (Wan 25. November 2013). Foreign Minister Wang Yi said in Geneva "this agreement will help to uphold the international nuclear non-proliferation system [and] safeguard peace and stability in the Middle East." Xiao Xian, an expert in international politics at Yunnan University, told reporters that regional stability was in China's long-term interest because it would enjoy more secure natural resources from Iran (Wan 25. November 2013).

However, Chinese cooperation in this regard has not always been so helpful, and the motives not always so clear. This continued to cause some frustration in Washington. In November 2014, Chinese Foreign Minister Wang Yi travelled to Vienna for P5 + 1 talks with Iran that aimed to solve the long-standing issue of Iran's nuclear program. According to one commentator, Wang 'made it clear that

China sees itself as a neutral arbitrator in the talks (unlike the U.S.)' (Tiezzi 25. November 2014). *Xinhua*, paraphrasing Wang, stated that China "as a responsible negotiating party," seeks "a comprehensive agreement over the matter, which meets the common interests of the international community, including Iran" (Tiezzi 25. November 2014). According to Tiezzi, Hua 'tacitly acknowledged that China is not quite playing the role that the Western powers, particularly the U.S. would like to see… China has been moving closer to Tehran, seizing the chance to develop a sound relationship with a Middle Eastern power player while international conditions allow' (Tiezzi 25. November 2014).

Tiezzi highlights how Chinese oil imports from Iran increased to 630,000 barrels a day in the first six months of 2014, up 48% from the same period in 2013 (Tiezzi 25. November 2014). Total trade between China and Iran was worth nearly $ 40 billion in 2013, with Chinese exports largely consisting of electronics, textiles, steel, and industrial chemical and with Iranian imports consisting of crude oil, ores, and other raw materials (Tiezzi 25. November 2014). And China has not only benefitted from increased economic ties. China and Iran have also benefitted from enhanced military cooperation. As Tiezzi notes, as Iran grows closer to China, 'there's less incentive for Iran to make sacrifices in order to secure more normal relations with the West. Even economic sanctions will have less bite as China continues to deepen its own economic engagement with Tehran' (Tiezzi 25. November 2014). In January 2016, for example, the first direct container train link was opened between Teheran and Yiwu as part of China's 'One Belt One Road' initiative (*CNC International* 31. January 2016). While such an agreement probably complicated Obama's policy push for curbing Iran's nuclear non-proliferation, it did not ultimately prevent a nuclear deal from being reached. On 14 July 2015, the P5 + 1 group, which included China, signed a Joint Comprehensive Plan of Action with Iran. This agreement sets limits on Iran's nuclear programme by eliminating pathways to a nuclear weapon in exchange for the gradual removal of international economic sanctions against Teheran.

According to the Chinese Foreign Minister Wang Yi, China played 'a uniquely constructive role' in the signing of this agreement (Weihua 15. July 2015). Wang informed the media that the deal turned "a new page of Iran's relationship with other parties" (Weihua 15. July 2015). He also stated that the "comprehensive accord carries significance far beyond the Iranian nuclear issue itself", with particular reference to the denuclearisation of the Korean peninsula (Weihua 15. July 2015). According to Wang, China's uniquely constructive role won praise from all the parties (Weihua 15. July 2015). In particular, Wang is quoted as saying that: "China has put forward the idea of the modification of the Arak heavy water reactor… This is the unique role China has played in resolving the Iranian nuclear

issue… China would promote this process as initiator while enhancing communication with Iran" (Ching 21. July 2015). The assistance China offered the US with regards to the Iran nuclear deal clearly demonstrates that it is possible for these two powers to cooperate over areas of mutual interest. However, it is also clear that Sino-US methods to achieve this result differed.

6 Case Study in US-China Competition—Beijing's Assertiveness in the South China Sea

For the Obama administration, the Asia-Pacific region was quickly identified as a core strategic concern (Southgate 28. February 2016). It is currently the most dynamic area in the world and a key driver of global politics. Asia contains more than half of the world's population (Worldometers Asia Population Live) and is home to the fastest-growing economies, including China and India, which are expected to be among the leading world economies by 2050. Against this backdrop, the Obama administration developed the so-called "pivot to Asia" or rebalancing policy. Officially, President Obama launched the new policy in a speech to the Australian Parliament in Canberra in late 2011, (Obama 17. November 2007) but the initiative was first signaled by the then Secretary of State Hillary Clinton's article, 'America's Pacific Century', published on 11 October 2011 (Clinton 11. October 2011).

Amongst other things, Obama has promised to reinforce Washington's military footprint in the Asia-Pacific and underlined his country's commitment to remaining an anchor of stability and prosperity. This involved a US military buildup in the Western Pacific that would be facilitated by a redeployment of American naval forces from the Atlantic theater to the Pacific Command and an increased rotational military deployment across the region, namely in Japan, Australia and Singapore. A revamped forward-deployment base in Guam—in anticipation of proposed changes to the American military presence in Japan—underpinned the new security architecture. The network of primary allies in the region will be bolstered by a string of secondary partners, which will further help to consolidate America's leadership in Asia. In this vein, the Obama administration has intensified its diplomatic engagement with ASEAN, which it believes "is central to the region's peace and prosperity" (President Obama cited in Southgate 28. February 2016). The latter group includes treaty allies such as the Philippines and strategic partners such as Vietnam that share, in varying degrees, Washington's concerns about China growing assertiveness in the South China Sea region.

The South China Sea consists of over 200 tiny islands, reefs, shoals, atolls, and sandbanks grouped into three archipelagos—the Spratlys, the Paracels and the Pratas Islands, Macclesfield Bank and Scarborough Shoal (Chunjuan 2015). The strategic importance of the South China Sea is mainly due to its geographical location as the area is one of world's busiest and most strategic shipping lanes (Zhou 5. December 2015). It is the subject of conflicting sovereignty claims by many countries in this region. In 2009, China officially and unofficially called its sovereignty over the South China Sea a core interest. In 2010 the US declared its freedom of navigation in the South China Sea to be a national interest in response to China's increasingly assertive moves over the disputes in the area. China's State Council then released the white paper 'China's peaceful development 2011' in which it explicitly defined state sovereignty and territorial integrity as core Chinese interests (Zhou 5. December 2015).

In part, at least, China has remained as a potential great power rival during the Obama years to the US. The May 2010 National Security Strategy warned that the U.S. 'will monitor China's military modernization program and prepare accordingly to ensure that U.S. interests and allies, regionally and globally, are not negatively affected' (United States National Security Strategy May 2010). Rapid advancements made by the Chinese military, such as the successful developments of its aircraft carrier, advanced jet fighters, and more cost-effective drones (Zheng 9. January 2012) highlighted the need, according to the Obama team, 'improve communication between our militaries in order to reduce mistrust' (United States National Security Strategy May 2010). Moreover, the Obama administration believes the Chinese government is largely responsible for numerous cyber attacks and cyber espionage acts against United States government departments and large American companies during recent years (Sanger and Broad 30. August 2010). These developments are taken very seriously by an Obama administration, which sees itself as a key player in the Asia-Pacific, with certain security obligations and diplomatic interests to uphold. For its part, China has strongly criticized Obama's 'Asia Pivot' as an attempt to isolate Beijing in the region and revive an American containment strategy against it (Zheng 9. January 2012).

In 2013 and 2014 it was reported that China had started to reclaim land and build civilian infrastructures on the Fiery Cross Reef in the disputed Spratly Islands and the US explicitly announced its opposition to the construction of artificial islands and to reclamation activities in the South China Sea (Zhou 5. December 2015). While China continued building civilian and military facilities on the disputed islands in May 2015, US surveillance planes flew over the artificial islands in the South China Sea and revealed that they had runways for tactical fighter aircraft and sophisticated surface and surface-to-air missile

systems (Rogoway 16. March 2015). US-China tensions threatened to escalate further in October 2015 when the US sailed a guided-missile destroyer within the 12 nautical miles of the artificial islands in an action designed to demonstrate freedom of navigation in the region (BBC News 27. October 2015). China's Foreign Ministry was quick to condemn the U.S. action Tuesday, saying the ship's actions were illegal and that the move threatened regional peace as well as U.S.-China relations (Spitzer 27. October 2015). It was a move the US Navy repeated a year later, drawing a warning from Chinese warships to leave the area. In February 2016, China responded by deploying J-11 and J-7 fighter jets (CNBC 23. February 2016). The J-11 is the Chinese most advanced land-based fighter aircraft. This was followed by the deployment of China's HQ-9 missile system. The HQ-9 is part of China's new generation medium to long-range missile systems capable of engaging high-performance aircraft, cruise missiles, air to surface missiles and tactical ballistic missiles out to arrange of 230 km (Global Security 24. February 2016). Beijing also firmly rejected a ruling in 2016 by the Permanent Court of Arbitration—in a case brought by the Philippines—which found that Chinese claims to rights in the South China Sea lacked historical foundation (Ali and Spetalnick 21. October 2016).

7 The Changing Dynamics of Great Power Rivalry in the 21st Century

Using Paul Kennedy's conceptual framework, it is tempting to interpret the Obama administration's more inclusive approach toward China as simply a reflection of the changing distribution of political, economic and military power between the two most prominent actors in the international system. According to this perspective, the Obama administration's willingness to work closely with China on international problems where it can and competing with Beijing where it cannot is directly linked to the fact that America, like other great powers before it, has entered a period of long-term relative decline and is now in the process of being gradually challenged by China as the world's number one power. In short, the nuanced and more accommodating posture of the Obama government towards China is essentially a function of declining American power. It is true, for example, that a report by a U.S. government agency predicts with "relative certainty" the emergence of a global multipolar system within the next 15 to 20 years, and that "few countries are poised to have more impact on the world […] than China" (Mahbubani 2008).

However, neither of our case studies fully confirms the Kennedy thesis. After initially failing to establish to a productive bilateral dialogue with Iran, the Obama administration looked to intensify multilateral negotiation efforts, involving China, to curb the nuclear ambitions of Teheran. Eventually, this approach generated a historic nuclear deal after a change of government in Tehran in July 2015. While the nuclear deal will not resolve all of the tensions generated by Iran's foreign policy, it nevertheless represents a major diplomatic achievement. It is probably an illusion to believe that a better deal could have been negotiated. The current deal was achieved by long and patient negotiations and is strongly supported by key American allies as well as China (and Russia) (Berger 5. April 2015). Any attempt to unilaterally renegotiate this deal would run the risk of losing international support and allowing Iran to resume nuclear activity in an unconstrained manner (Allison 15. August 2015). The Iran nuclear agreement is important first and foremost for the tight limits it places on Iran's nuclear programmes—the major goal of the negotiations. At the same time, China's involvement in this counter-proliferation initiative provided an opportunity to accelerate its learning about the actors and issues that featured in the diplomatic discussions and adjust its position accordingly. Two factors arguably deepened the Chinese commitment to a nuclear arms deal. First, the Iranian government's involvement in the Syrian civil war after 2011 raised question marks about how a nuclear -armed Iran might pursue its regional ambitions. Second, China showed signs of wanting to capitalise on the fact that a political moderate, Hassan Rouhani, won the presidential election in 2013.

In many ways, the current tensions between China and the US in the South China Sea seem to uphold Paul Kennedy's thesis concerning constant and cyclical Great Power conflict. The US has traditionally played a leading role in Asian affairs for decades and still maintains a dominant influence in the Asia-Pacific region. The US-Japan and US-South Korea alliances are two pillars of its leadership in the region that constitute an integral part of its global power. But this has been apparently challenged with the rise of China. Beijing is now attempting to reshape the regional strategic balance and the existing regional security architecture the US has shaped and dominated since the Cold War. Historically, the Chinese military has been a predominantly land force. The continuing military build-up throughout the South China Sea, particularly around the Spratly Islands, represents China's first real strategic shift towards becoming a maritime power (Page 10. April 2015). Beijing's efforts to expand its sphere of influence through the growth of its maritime forces in the region bears some resemblance to the path the United States followed in its rise to power during the last century. In response to the changing strategic environment in East Asia, Washington

has devised a mixed approach to hedge, rebalance and counter China's growing power and influence by using its diplomatic, cultural, economic and military means in order to sustain its dominant profile in the region. No doubt many observers in Washington view Beijing as great challenge to its dominant power in East Asia while Beijing has a tendency to see Washington as a major threat to its core interests in the region.

But appearances can be deceptive. The story of the post-Cold War era is one of growing interconnectedness, a context in which many challenges in the economic, security or environmental spheres can no longer be effectively resolved in a unilateral fashion by states. However, the case of US-China tensions in the South China Sea highlights a very real paradox of the current era. While China and the US (and many of the other actors in the region) are deeply interdependent in economic terms and mutually vulnerable to international market and environmental conditions that cannot control, they often cling, in security terms, to the Westphalian doctrine of unfettered state sovereignty, and remain somewhat blind to their diminishing ability to dictate outcomes whether it be in the South China Sea or elsewhere. In the 21st century, controlling territory or so-called spheres of influence is no longer as important as it was in the past. But it may take several more decades before a great power like China—whose rise is inextricably linked to the process globalization—is able to come to terms with the new limits of superpower influence in an increasingly connected world.

Kennedy's perspective ultimately fails to recognise that the current structure of the post-Cold War international system is fundamentally different from the past and that the old pattern concerning the rise and fall of great powers no longer applies in the same fashion. Contrary to Kennedy's thesis, the US is well placed to remain first among equals in international politics in the 21st century. Unlike previous superpowers, America is a global heavyweight in economic, military and political-cultural terms. According to Joseph Nye, America has an unrivalled mix of 'hard' and 'soft' power capabilities that will continue to bestow a leading power role (Nye 2015, pp. 92–93). At the same time, America remains the only superpower with a democratic political system. It is competition between different political elites—a competition that is organised and channelled by generally free and secret elections—that gives America a built-in capacity for innovation and adaptation, something that is lacking in more rigid authoritarian political systems such as that in China. In Obama's words, "history offers a clear verdict. Governments that respect the will of their own people, that govern by consent and not coercion, are more prosperous, they are more stable, and more successful than governments that do not" (Obama 11. July 2009).

Thus while the US has certainly experienced relative economic decline, such decline is unlikely to be irreversible. After all, America has the political ability to change policies and bounce back. The ability to adapt and overcome is critical for the longevity of a superpower, particularly in a globalizing world. Innovation is one of America's greatest strengths and in 2013 the US ranked fifth in the global innovation index (Global Innovation Index 1. July 2013). Under the Obama leadership, the US has tried to adapt to the realities of globalization. In the context of relations with China, the emphasis has been on engagement and competition. The policy reflects the conviction that unilateral options are not entirely realistic, effective or affordable in today's world, and that a democratic superpower has little to fear from an expanded dialogue with an authoritarian superpower like China, although the reverse, of course, may not be true for the leadership in Beijing.

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China's Rise and the U.S Pivot to Asia: The Implications of Trans-Pacific Partnership on the Regional Economic Architecture

Catherine Yuk-Ping Lo

1 Introduction

China is a rising power concerning its economic and political influence in the Asia-Pacific region.[1] The past decade has witnessed Beijing's active participation in multilateral institutions and regional integration processes, from ASEAN + 1 and ASEAN + 3 mechanisms, Shanghai Cooperation Organization (SCO), to the discussion of the Free Trade Area of the Asia-Pacific (FTAAP). China's economic influence in the region has been undoubtedly proliferating: in 2010 China officially surpassed Japan as the largest economy in Asia and the second largest after the U.S. China's strong import demands in the post-2008 financial crisis has brought about China, replacing the U.S as the largest or the major trading partner in the region (Cha 2011, p. 35; Green and Goodman 2016, p. 25). Despite its significant contribution to the regional economic development, the steady economic

[1]Kang points out that it may be more accurate to characterize China as an emerging power for the historical dominant status in the region. However, this article opts for using the term "rising power" for the discussion is about the modern instead of the empirical China. See Kang, D. C. (2009). Between Balancing and Bandwagoning: South Korea's Response to China. *Journal of East Asian Studies* 9(1), 1–28.

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growth has however expedited its military spending and modernization, leading to an escalation in the Chinese assertiveness in both East and South China Sea noticeably since 2007/2008 (Yuan 2015, p. 25; William 2012, p. 164). With the use of the "salami-slicing" tactics in claiming Scarborough Shoal, Second Thomas Shoal, Parcel Islands, and also setting up the East China Sea Air Defense Identification Zone (ADIZ), China's growing assertiveness over territorial and maritime claims has essentially altered the balance of power in the region, posing an imminent challenge to the dominant power of the U.S.

Traditional hard balancing strategies, such as direct military confrontation, military build-up, together with a war-fighting alliance coalition are unlikely the optimal choices for Washington. During peacetime, military force should only be considered in the last resort when diplomatic and economic interactions between the U.S and China have all failed. Conflicts will almost inevitably escalate unnecessarily if the U.S engages China with military means. The deepening U.S-China economic interdependence also renders U.S hard balancing against China becoming more and more costly and undesirable, because Chinese rising power is linked by trade, investment, and commercial flows with the U.S and the global economy as a whole (He and Feng 2008). In addition, traditional military allies may not follow suit the U.S hard balancing strategy to China. The recent development of the rapprochement of the Philippines to China is a case in point.

While hard balancing refers to military strategies, soft balancing is primarily a non-military strategy. Robert Pape delineates soft balancing a strategy for weaker states to confront the unipolar power with the use of "non-military tools, such as international institutions, economic statecraft, and strict interpretations of neutrality" (Pape 2005, p. 10). While the existing literature discusses the concept of "soft balancing" in the context of how small, middle or great power states employ soft balancing strategies against the American hegemony in a unipolar world (Pape 2005; Paul 2005; Song 2013; Friedman and Long 2015),[2] this article proposes that soft balancing could anticipate beyond the prevailing comprehension. Although soft balancing is a strategy employed by the weaker states to curtail the unipolar power, this article demonstrates that soft balancing behavior could likewise be employed by the relatively powerful states to balance against perceived threatening states or revisionist states when hard balancing tactics are not the optimal choices. This argument is illustrated through the use of TPP by the U.S

[2]However, Lieber and Alexander argue that the discussion of soft balancing is much ado about nothing. The behaviors are simply normal diplomatic fiction instead of soft balancing strategies.

in response to China's rise in the Asia-Pacific region. This article seeks to refine the concept of soft balancing and to delineate the interactive processes of soft balancing tactics between the U.S and China. Viewing TPP as a soft balancing strategy, the article shows that the TPP constructs a "hub-and-spokes" economic system to balance Chinese economic rise in the region. In responding to the U.S soft balancing strategy, China's soft counterbalance act leads to the formation of a parallel "hub-and-spokes" system via RCEP. I further suggest that such soft balancing dynamic will result in a "two-hubs" regional economic architecture: while the two soft balancers serve as the "hubs", member states of the two trade agreements will serve as "spokes nations". Considering the anticipated acceleration of regional economic and trade integration attributed to the mega trade agreements, the proposed architecture reinforces the argument that "soft balancing will not always lead to hard balancing and greater conflicts, rather it can induce more cooperation and mutual benefit to the region" (Friedman and Long 2015, p. 123).

This article is comprised of four sections. First, it begins with the discussion of the existing regional economic architecture in Asia and the balance of power in shaping the arrangement. Second, it reviews the theory of the balance of power and develops a concept of soft balancing in the anarchic system. Third, it examines the soft balancing effect on regional economic architecture by illustrating how the U.S used soft balancing strategies to undermine the power of a rising China and the corresponding counter balancing strategies adopted by China with the formulation of mega regional trade pacts (U.S-led TPP and China-led RCEP) in the region. With the recent announcement of the U.S withdrawal from the TPP at the time of writing, the implications of the proposed architecture to the balance of power as well as regional economic integration are also illuminated in this article.

2 Regional Economic Architecture and the Balance of Power in Asia

Regional architecture is an umbrella term to illustrate the fundamental and coherent design or structure related to cooperative activities in one region. Security architecture and economic architecture are the two distinct functional components of the overarching regional architecture (Nanto 2006). Tow and Taylor (2010, p. 96) defined the idea of security architecture as "an overarching, coherent, and comprehensive *security* structure for a geographically-defined area, which facilitates the resolution of that region's policy concerns and achieves its *security* objectives" (emphasis added). Derived from the definition of security architecture proposed by Tow and Taylor (2010, p. 96), the notion of economic architecture here thus

refers to "an overarching, coherent, and comprehensive *economic* structure for a geographically-defined area, which facilitates the resolution of that region's policy concerns and achieves its *economic* objectives". For the purpose of this study, the article will focus on the discussion of the *economic* component of regional architecture. Viewing the TPP and RCEP as "products" of the balancing acts performed by Washington and Beijing, the article further illustrates the impact of the two mega-regional trade agreements on the economic architecture in the Asia-Pacific region.[3]

Having put forth a preliminary idea of regional economic architecture, the geographically defined area, which is Asia, has been and is still a contested concept: whether an inclusive or exclusive "Asia" could best serve the economic objectives (i.e. economic integration and development) of the countries in the region. During the early 1990s, former Malaysian Prime Minister Mahathir bin Mohamad proposed an exclusive East Asia Economic Group (later called the East Asian Economic Caucus), aiming to respond to the emerging regional trade agreements outside Asia, including the Maastricht Treaty signed in the European Union and the North America Free Trade Agreement (NAFTA) concluded between the U.S, Canada, and Mexico. This idea still championed by Malaysia and supported by China, advocating an exclusively East Asian architectural blueprint consisted of ASEAN, China, Japan, and South Korea (Camroux 2012, p. 108; Kawei et al. 2014). In contrast to the exclusive model consisting of countries primarily in East and Southeast Asia, the inclusive architecture, advocated by Indonesia, Singapore, and Japan, embraced countries in South Asia (India) and also Oceania (Australia and New Zealand). While the debate of stakeholder inclusiveness in Asia's economic architecture is beyond the scope of this article, the regional economic arrangement has evolved into a "concentric circle" with ASEAN at the center, "10 + 1" and "10 + 3" as the first and second layer of the circle, respectively, while the East Asia Summit ("10 + 3" plus Australia, New Zealand and India, dubbed "10 + 6") forms the outermost layer of the "concentric circle" framework

[3]For the thorough discussion of regional security architecture, see Williams T. Tow and Brendan Taylor (2010). "What is Asian Security Architecture?" *Review of International Studies* 36(1): 95–116. Regarding the security mechanisms in the Asia-Pacific in the post-war era, it has been marked by the coexistence of the U.S-led "hub-and-spokes" hierarchical bilateral systems, "mini-lateral" groupings, such as Trilateral Strategic Dialogue (TSD) and "Quadrilateral Initiative"; the ASEAN-led multilateral institutions, such as ASEAN Regional Forum (ARF) and ASEAN Defense Ministers' Meeting-Plus (ADMM-Plus); China-led Shanghai Cooperation Organization (SCO); together with some ad hoc multilateralism mechanisms, such as the Six Party Talks on North Korean denuclearization as well as Proliferation Security Initiatives (PSI).

(Camroux 2012, p. 111; Dai 2013, p. 134). In the ASEAN-centric economic architecture one can observe four main types of cooperative mechanisms:

(a) Bilateral and multilateral free trade agreements (FTAs),[4] such as ASEAN Free Trade Area (AFTA); five FTAs/Comprehensive Economic Partnership (CEP) between ASEAN and six Dialogue Partners, including ASEAN-China Free Trade Area (ACFTA), ASEAN-Japan CEP, ASEAN-Korea FTA, ASEAN-India FTA, and also ASEAN-Australia-New Zealand FTA, East Asia Free Trade Area (EAFTA)/ASEAN + 3 FTAs; trilateral FTAs between China, Japan, and South Korea;
(b) Regional economic cooperation forums, such as East Asia Summit (EAS) and Asia Pacific Economic Cooperation (APEC);
(c) Special financial mechanisms, such as Chiang Mai Initiative Multilateralization (CMIM), ASEAN + 3 Macroeconomic Research Office (AMRO), proposed Asian Monetary Fund (AMF), and also Asian Bond Markets Initiative (ABMI); and
(d) Track II economic-related dialogues, such as Boao Forum for Asia (BFA), Pacific Economic Cooperation Council (PECC), and Asia Cooperation Dialogue (ACD)

The current form of ASEAN-centric architecture has been constructed since the end of the World War II, with overlapping functions and diversified memberships, including mechanisms inside Asia, sub-regional, and even inter-regional mechanisms (Dai 2013, p. 2). The abovementioned cooperative mechanisms show that the conglomeration was not designed by a single "architect"; instead multiple "architects" have been and are actively involving in the regional architecture configuration. In addition, it is a "work in progress", fluid, and flexible structure, which is subjected to expand or reshape by regional and extra-regional actors (Cha 2011). In other words, the current role of ASEAN as the key economic architect does not render it immune from challenges within and outside the region.

[4]Bilateral FTAs have been a new trend of development (e.g. South Korea-Japan, South Korea-Thailand, Singapore-Japan) since the 1997/1998 Asian Financial Crisis as the countries realized there was a lack of cooperative mechanisms among the region's states to cope with such turbulent events. Since 2001–2002, by which time APEC had hot something of a brick wall in trade liberalization and WTO's DOHA round failed to reach agreement, most East Asian governments became active promoters of bilateral and multilateral FTAs or Economic Partnership Agreements (EPAs).

Given the tremendous national interests in the Asia-Pacific region, the U.S has long been the key extra-regional architect since the Cold War. To balance against the communist influence in Asia, interactions between the U.S and its Asian allies have been underpinned by a "hub-and-spoke" alliance system of the San Francisco System (Ikenberry 2004; Patrick 2011). The "hub" provides Asian allies with lucrative public goods—economic access to American markets, direct economic aids and assistance, in return for a stable bilateral security alliance with the U.S (Ikenberry 2004, p. 355; He 2009, p. 63). In the case of Japan, along with the military alignment, Article II of the 1960 U.S Japan Mutual Security Treaty further extended the U.S-Japan collaboration in economic terms. The balance-of-power strategies performed by the U.S thus resulted in a bilateralism-based economic architecture during the Cold War era, leading to the lack of intraregional cooperation for several decades following the end of the Second World War (Kapchan 1998). In achieving strategic deterrence against the Soviet Union and its communist Asian counterparts, the architecture is also characterized by an asymmetric economic nexus between the hub and spoke nations. That the U.S did not ask for the reciprocity of market access from its allies in Asia consequently led to a serious trade deficits with spoke nations, especially with Japan (He 2009). Apart from the problem of trade imbalance, the nuclear arms race with the Soviet Union during the Reagan administration caused enormous fiscal deficits to the post-Cold War U.S economy. Facing a sluggish economy plus the waning of the Cold War in the late 1980s and early 1990s, the U.S did not simply step down from the position of regional "architect"; instead it remained its interest by the introduction of the multilateral APEC regime as a supplement of its bilateral alliance system to advance U.S economic interests in the Asia-Pacific in the post-Cold War era. But as the APEC-centered trade liberalization schemes ran out of steam in the late 1990s, the gravity of regional architecture construction began to shift to Southeast and Northeast Asia. The 1997–1998 Asian Financial Crisis (AFC) prompted the countries in Asia taking up a more proactive role as regional economic architects, in a collective manner underneath the ASEAN mechanisms (China Daily 2006; Wu 2009). Their commitment to economic integration and development has recently been deepened with the formal establishment of ASEAN Economic Community (AEC) on December 31st 2015. With a population of 622 million people and combined GDP of US$2.6 trillion, the AEC was the third largest economy in Asia and the seventh largest in the world in 2014 (ASEAN 2015). Despite criticisms for being an ineffectual "talk shop", ASEAN continues to be an active player in shaping the regional economic architecture, alongside the U.S in the region.

Alongside ASEAN's engagement in the regional economic architecture, China as a rising power in the region leads to the shift of the leadership away

from Washington (Patel 2008).[5] With the rise of China and relative decline of the U.S, some observers argue that the American unipolarity has inevitably come to an end when the Chinese government, along with other Asian financial players, injected billions in capital to help stabilize numbers of U.S investment banks as the subprime mortgage collapse unfolded in the country during the Global Financial Crisis (GFC) (Tow 2012, p. 155; Patel 2008; Sahashi 2013, p. 135). While several Asian countries and the region likewise experienced serious financial difficulties during the financial crisis, it did not harm the Chinese economy much (Yuan 2015, p. 25), enabling China to revamp the pre-existing regional economic architecture in order to best suit its "core interests" in the post-crisis period. China's strong import demand attributing to the economic stimulus package has brought about China, replacing the U.S as the largest or the major trading partner in the region (Cha 2011, p. 35; Green and Goodman 2016, p. 25). For instance, China has been ASEAN's largest trading partner since 2009 (Fu 2014). China also became Japan's top trading partner by replacing the U.S in 2009. China even surpassed Canada as the largest trading partner of the U.S in 2015 (Marlow 2015). The changing patterns in bilateral trades indicate that the balance of economic power leans towards the rising China, stepping away from the declining U.S hegemon. China further stepped up its engagement in multilateral economic cooperation. That Premier Li Keqiang proposed in 2015 of China-ASEAN cooperation as the core of ASEAN "concentric circles" indicates the Chinese ambition to act as one of the regional economic architects (China Daily 2015).

There have been debates on whether China serving as the key architecture builder can contribute to the economic prosperity and stability of the region. A vibrant bilateral trade between China and its Asian trading partners has undoubtedly supported their economic growth; however, these trading partners do not trade evenly with China. According to the WTO data in 2014, China was South Korea's, Australia's, and New Zealand's top exporting country; nevertheless none of the above-mentioned countries were Chinese top importing countries. This partly implies that China is not as dependent on these countries as these are on China. Alongside the relatively economic dependence on China, the rising economic power has facilitated Chinese military capabilities and assertiveness in both East and South China Seas. According to the estimation conducted by Stockholm

[5]The decline is also attributed to the Washington's preoccupation with threats at the global level: international terrorism, "rogue states," together with nuclear proliferation. See William T. Tow (2012). "Great Powers and Multilateralism: The Politics of Security Architectures in South Asia." In ASEAN and the Institutionalization of East Asia, pp. 155–167. Edited by Ralf Emmers. Routledge: Oxon.

International Peace Research Institute (SIPRI), Chinese military spending has been increased by 175% since 2003 (SIPRI 2013). Even though China's defense budget is less than a quarter the size of America's today, the country is going to be the world's largest military spender in 2035 (The Economist 2012). In the past decade, there have been clashes between Chinese and Japanese, Vietnamese, South Korean, and Philippine vessels over territorial rights in the resource-rich waters. China has further claimed most of the South China Sea based on the unilteraly drawn and thus controversial nine-dash line in the wake of the disputes. Recently, China has been working on land reclamation projects on seven reefs in the Spratly Islands located in the center of the maritime territorial disputes involving the Philippines, Vietnam, Malaysia, Taiwan, and Brunei. Despite a silver lining has been observed in the relationship between China and the Philippines due to the forthcoming Duterte administration since 2016, the rising power has provoked other claimants by constructing military facilities on the reclaimed islands.

That the tension between China and other claimants in the East and South China Seas has been intensified in recent years results in upsetting the prevailing balance of power in the Asia-Pacific. Power transition theory sees a rising China acting in a revisionist fashion is challenging the dominant power of the U.S; conflicts between the powers are inevitable since the status quo power would not hand over its dominant status to the rising power under no circumstances. Considering hard balancing strategies do not seems to be the desirable and feasible solutions, the Obama administration proposed the "pivto to Asia" balancing strategy of to recalibrate its extra-regional state quo power, undermining the growing influence and assertiveness of the rising China. TPP as a mega trade deal underneath the pivot strategy is perceived as a soft balancing strategy to counterbalance the rise of China. In responding to the formulation of TPP, China has taken up a leadership role in the RCEP as a counter-soft balancing tactic. Before looking into the details of the interactions between the two soft balancers, a closer look at the concept of soft balancing underneath the balance of power theory helps clarify the strategies employed in the Sino-U.S interaction.

3 Soft Balancing in the Theory of Balance of Power

The balance of power theory refers to "an actual state of affairs in which power is distributed among several nations with approximate equality" (Morgenthau 1973, p. 186). To Morgenthau, balance of power is a *natural phenomenon* in the existing international system in which states inevitably struggle for power (Morgenthau 1973). To structural realists, however, balance of power is an *optimal status* of

attaining security and peace, since states continually seek to achieve power parity in the anarchic international system (Waltz 1979). In other words, wars and military conflicts between nation states are attributed to an imbalance of power distribution. Derived from the theory of balance of power, balancing is a strategy performed by one state to "match, exceed, or block the power of some other states" (Mowle and Sacko 2007, p. 66), aiming to restore the balance of power in the anarchical system. Considering "the balance of power is largely synonymous with the balance of military power" (Mearsheimer 2001, p. 56), the original concept of balancing is narrowly referred to hard/military balancing (Mearsheimer 2001; Elman 2003; Paul 2004). General tactics of hard balancing includes "military buildups and defense spending, or countervailing military alliances aimed at an adversary" (Waltz 1979, p. 118).

Predicted by structural realists such as Kenneth Waltz, the shift of a bipolar to a unipolar world since the end of the Cold War signifies that second-ranked powers would soon emerge or re-emerge to challenge the U.S. and restore the systemic balance of power (Waltz 1993).[6] In contrast to the theoretical assumption, however, there has been a conspicuous absence of balancing behaviors against the unipolar power of the U.S in the post-Cold War era (Wohlforth 1999; Brooks and Wohlforth 2005, 2008; Lieber and Alexander 2005). Robert Pape in his influential article in 2005 nevertheless argued that balancing has been occurred to against the U.S, but in a soft rather than hard form of balancing (Pape 2005). Pape further offered an argument on the meaning of soft balancing, defining it as the usage of "nonmilitary tools to delay, frustrate, and undermine aggressive unilateral U.S military policies" (Pape 2005, p. 17). The condition of the weaker states conducting soft balancing tactics was further confined by Friedman and Long (2015, p. 129), stating, "soft balancing is likely when secondary states begin to see the unipole as a direct or indirect threat to their national interests. After all, the abovementioned literatures discussed the concept of soft balancing in the context of how relatively weaker states employ soft balancing strategies against the American hegemony

[6]In addition to Waltz's stance, some scholars argue for the presence of hard balancing in the wake of Cold War. See Layne, C. (2012). This Time It's Real: The End of Unipolarity and the Pax Americana. *International Studies Quarterly* 56(1): 203–213; Steff, R. & Khoo, N. (2014). Hard Balancing in the Age of American Unipolarity: The Russian Response to U.S Ballistic Missile Defense During the Bush Administration (2001–2008). *The Journal of Strategic Studies* 37(2): 222–258.

in a unipolar world.[7] Kai He and Huiyun Feng nonetheless made a disconnection of soft balancing as a tactic to contain the U.S hegemon, stating "soft balancing focuses on undermining the relative power of the strong and threatening state through bilateral and multilateral coordination among other states" (He and Feng 2008, p. 365). Ryan Kennedy likewise proposed that soft balancing strategy is not necessarily conducted by relatively weak actors vis-à-vis a regional or global hegemon, rather "it is a logical strategy for stronger actors when the conflict is not as salient as for the weaker actor (Kennedy 2016, p. 512). In line with the idea of soft balancing proposed by He and Feng as well as Kennedy, this article proposes that soft balancing could be anticipated beyond the prevailing comprehension by looking into the U.S-China interactions. For the purpose of this article, soft balancing refers to a tactic employed by the dominant power when it decides that the influence of a rising state (revisionist power) is threatening, but the cost of military interventions is too high that traditional hard balancing is undesirable and infeasible. With the use of economic statecraft and institutions, the aim of soft balancing is to undermine and increase the cost of unilateral action of the revisionist power.

In responding to a perceived threat of a rising China, traditional hard balancing measures, including direct military confrontation, military build-up, together with war-fighting alliances, are not the most desirable and feasible options for the U.S. In European and Cold War history, military balancing occurs only if states fear losing their sovereignty and existential security to a rising power (Paul 2005). It is extremely unlikely that China alone, or Chinese-led military alliances will invade U.S soils, since direct land possession is no longer a means for great powers, including China, seeking prosperity, security, or even hegemony. To liberal institutionalists, the deepening economic interdependence between the U.S and China makes U.S hard balancing against China becoming more and more costly and undesirable, because Chinese rising power is "linked by trade, investment, and commercial flows with the U.S" (He and Feng 2008, p. 365). The U.S. and China, as well as their allies, are trying to avoid military confrontation that would cause

[7]Other scholarly discussion on soft balancing tactics against the U.S can refer to Paul, T. V. (2005). Soft Balancing in the Age of U.S. Primacy. *International Security*, 30(1), 46–71; Walt, S. M. (2006). *Taming America Power: The Global Response to U.S Primacy*. New York: W.W. Norton & Company, Inc.; Layne, C. (2006). The Unipolar Illusion Revisited: The Coming End of the United States' Unipolar Moment. *International Security* 31(2): 7–41; Whitaker, B. E. (2010). Soft Balancing among Weak States? Evidence from Africa. *International Affairs* 86(5): 1109–1127; Ferguson, C. (2012). The Strategic Use of Soft Balancing: The Normative Dimensions of the Chinese–Russian 'Strategic Partnership'. The Journal of Strategic Studies 35(2): 197–222.

negative impact on the economies of the U.S, China, and also the global political economy (Sahashi 2013). Indirect military balancing, such as military build-up, is likewise not a desirable option for the U.S to balance against China's expanding power. During peacetime, military build-up or increased defense spending by the dominant power is perceived as offensive and aggressive behavior in the eyes of the secondary-ranked neighboring countries. A security dilemma would be inevitably escalated if the U.S engaged a rising China with extensive military build-up in the Asia-Pacific region. Once perceived as a hard balancing strategy in the Asian pivot strategy, the idea of Air-Sea Battle (ASB) was dropped, integrating it into the Joint Concept for Access and Maneuver in the Global Commons (JAM-GC). This change indicates the American government's awareness of negative consequences of the explicit military build-up, strengthening, and deployment.

In addition, hard balancing against China is not a feasible option as it is too risky for the U.S to count on other middle and major powers and even its traditional allies in the region to act in unison. That China has become the top or one of the major trading partners in most of the countries in the Asia-Pacific region raises the opportunity cost for the U.S-led alliances to counterbalance China. Despite the fact that the U.S has recently strengthened its military alliances with the Philippines, Japan, and Australia as part of the pivot strategy, traditional military allies may not follow suit the hard balancing strategy against China. As argued by Friedman and Long (2015, p. 127), "forming a balancing coalition is always a risky endeavor, in which individual states have incentives to pass the buck, free ride, or shirk." Taking the U.S traditional ally the Philippines as an example, President Rorigo Duterte has proclaimed that the country does not really get that much from the U.S and is looking to cut certain parts of the defense relationship (Paramewaran 2016). The anti-American outbursts from Duterte have jolted U.S allies in the region, casting doubts about his commitment to a U.S-led military alliance seeking to counter an increasingly assertive China (Moss 2016).

TPP has served as a key economic institutional tool for the U.S to re-engage with the Asia-Pacific region and to soft balance against China's economic influence in the region. In return, the Chinese counterpart engages the TPP with the RCEP. This article concludes that the U.S-China soft balancing dynamic brings about a "two-hub" economic architecture in the region: China and the U.S serve as the "hubs", whereas member states act as "spokes" nations. Considering that TPP helps regain the U.S declining power in the Asia-Pacific, while the RCEP helps promote China as the regional leader of Asia (Smith 2016), the proposed architecture reinforces the argument that "soft balancing will not always lead to hard balancing and greater conflicts, rather it can induce more cooperation and mutual benefit to the region" (Friedman and Long 2015, p. 123). More elaborations of the U.S-China soft balancing process is shown in the following section.

4 U.S Soft Balancing and Chinese Rebalancing Strategy: A "Two-Hub" Asian Economic Architecture

The soft balancing strategy employed by the U.S to balance against Chinese influence in the current Asian economic architecture is clearly demonstrated by the TPP, an interregional trade regime. TPP evolved from an agreement between New Zealand, Chile, Brunei, and Singapore, also known as the P4 agreement back in 2005. The U.S led the regime establishment process TPP only after President Obama announced the accession of U.S into negotiations during his visit in Japan on November 14, 2009 (Fergusson et al. 2015). Following the U.S, Malaysia, Canada, Mexico, Japan, Australia, Peru, and Vietnam have joined in the subsequent years after the 18th APEC Economic Leaders Meeting in 2010.[8] Officially signed in October 2016, the 12 Pacific Rim members have a collective population of about 800 million—almost double that of the EU single market, representing 40% of world trade. The further expansion of this trade pact is plausible since the TPP is "an open platform"; countries such as Thailand, South Korea, and India have once expressed their interests in joining the mega trade pact (Chang 2015). Clearly, China is not in the initial negotiation of the agreement.[9] The exclusion of China to the TPP would frustrate China's power in certain extents. A 2014 study estimated that China could gain US$809 billion by 2025 if it were part of the TPP, however, it might lose over US$46 billion by that year if China fails to join the deal (Petri et al. 2014). China's central bank also predicted that Beijing could lose a 2.2% increase in GDP if the country is not a member of TPP (Kim 2015). And China would stand to lose ground to manufacturing competitors such as Vietnam, which as a TPP member will have greater duty-free access to the U.S and other member nations.

Given China's position in the regional (and global) economy, academics view the TPP as part of "pivot to Asia" strategy to constrain the potential threats of

[8]Concluded on October 4, 2015, the text of the agreement will have to be signed and then ratified by all the 12 signatories. Details of how the deal will be carried out will be argued out in individual countries' legislature.

[9]Whether the economic goals of the TPP could be achieved because of the exclusion of China serving as a regional economic powerhouse; and that the TPP is not in line with the Asian style of "soft regionalism". See Evelyn S. Devadason, "The Trans-Pacific Partnership (TPP): The Chinese Perspective," *Journal of Contemporary China* 23, no. 87(2014): 474.

China to the regional hegemon status of the U.S (Dai 2013; Panda 2014; Chang 2015).[10] The concept of an Asian pivot emerged during President Obama's trip to Asia in November 2011, and Secretary Hillary Clinton followed with an article on "America's Pacific Century" in the same month. Being the economic wing of the pivot policy, TPP aims to "conclude a regional agreement that would have broad-based membership and the high standards worthy of a 21st century trade agreement" (Dai 2013, p. 134), redrafting the Asian economic architecture, and also countering the looming economic influence of China in the region (Capling and Ravenhill 2011, p. 559). It is important to notice that the U.S has not explicitly stopped China from joining the TPP. When Deputy U.S. Secretary of State Antony Blinken was asked if Washington sees the TPP deal as a way to balance against Chinese power, he replied "it is not designed to encircle China…To the contrary, if China is interested in pursuing membership and it is *able to meet the standards*, we would welcome that." The intention to soft balance against Chinese economic influence in the region is also observed in a White House's statement in which President Obama said, "We can't let countries like China write the rules of the global economy; we should write those rules" (The White House 2015). Concerning the perspective of the U.S main ally Japan, a TPP without China in the initial negotiation would be one that could be used later as a lever against its main rival (Camroux 2012, p. 110). In other words, the U.S intends to strengthen its role as a principle "architect" in Asia's economic architecture by constraining the looming influence China.

China has responded to the U.S economic soft balancing strategy by acting as the key driver of the RCEP. Initiated by the ASEAN in 2012, the RCEP consists of ASEAN 10 states, plus the 6 countries having free trade agreements (FTAs) with ASEAN, including China, India, Australia, New Zealand, Japan, and South Korea. Once it is concluded the proposed 16-nation RCEP would become the world's biggest trade bloc with a combined population of 3.4 billion people and trade volume of $10.6 billion, accounting for nearly 30% of the world's trade (Tang 2015; Kim 2015). Although RCEP was first conceived by the ASEAN,

[10]Jagannath P. Panda, "Factoring the RCEP and the TPP: China, India and the Politics of Regional Integration," *Strategic Analysis* 38, no. 1(2014): 55. Other aspects of the U.S regional participation (including the U.S Marine's revived presence in Australia and strengthened ties to countries such as Indonesia, Japan, the Philippines, Singapore, South Korea, Thailand, and also Taiwan). However, the Chinese official's view on TPP is more positive than U.S. view on AIIB or RCEP: "We hope that regardless of whether it is the TPP or the RCEP, they both can supplement, promote and be beneficial to strengthening the multilateral trade system," said Chinese foreign ministry spokeswoman Hua Chunying.

China is increasingly seeking the leading role in the negotiation process of the proposed pact with a view to reacting to the U.S soft balancing strategy. It has been suggested that China's enthusiasm for RCEP is viewed as a strategy to soft balance against the U.S influence the TPP would create (Wilson 2015, p. 352), while the TPP is a U.S attempt to "contain" China economically by dictating the terms for regional trade liberalization (Bhagwati 2011).

This article suggests that the soft balancing dynamics in East Asia fosters the evolution of a "two-hubs" economic architecture with the U.S and China serving as hubs and the other states in the region as spokes. The relations between the hubs and spokes are maintained by the economic ties under the newly negotiated multilateral trade agreements. It is noted that the "hub-and-spokes" structure suggested in this article is different from the conventional relationship of "hub-and-spokes" between the U.S and its military allies in the Asia-Pacific region. Traditionally, spoke nations only allied with one hub in the bilateral military alliance system; spokes have to "divorce" the hub state in order to join another "hub-and-spoke" system. The proposed "two-hub" economic architecture shows the "spoke" nations hedging between the two hubs without the objections from the soft balancers. It is noted that seven countries are having overlapping membership of TPP and RCEP. Countries welcome the U.S. as the balancer to restrain Chinese assertiveness in the region and as the destination for export; they are also gaining economic benefits from the rise of China. Serving as the hubs of the economic architecture, the U.S and China possess the overlapping interest (i.e. stability) in the region, thereby increasing the cost of going to wars and reducing the military confrontation between the two balancers. That overlapping membership within the two regional-mega trade network facilitates regional economic integration reinforces the argument that "soft balancing can induce more cooperation and mutual benefit to the region" (Friedman and Long 2015, 123). However, the proposed regional economic architecture might not be realized because of the recent decision by President Donald Trump to retreat from the TPP at the time of writing. The implications of the proposed architecture to the balance of power as well as economic integration in the region are illuminated in the final section.

5 Trump's Presidency and the Future of the Regional Economic Architecture

Often regarded as the most ambitious trade pact in a generation and the last chance for the U.S to pivot towards Asia and balance the Chinese influence in the region (Chang 2015), a promising TPP is steadily decaying since the declared

protectionist President Donald Trump signed an executive order to officially withdraw from the interregional free trade agreement (Parameswaran 2016). In spite of the potential annual real income of US$ 131 billion, or 0.5% of GDP generated by the TPP (Petri and Plummer 2016), President Trump repeatedly emphasized during and after the campaign that the U.S would drop the "disastrous" trade agreement (South China Morning Post 2016). Uncertainties are looming at the time of writing; many views have doubted whether the President delivers what he pledged during the election campaign, while some believe a continuity or a slight modification of the existing policies appear to be more pragmatic and realistic. Regardless of his decision, the fate of the pact is up to President Trump and Republican lawmakers, for the Obama administration gave up on the prospect of ratifying the TPP, in the "lame duck" period prior to January 2017 (Bermingham 2016).

The U.S withdrawal from the TPP has exerted a sea change influence on the balance of power in Asia. Japanese Prime Minister Shinzo Abe once asserted, "A TPP without the U.S would be meaningless" (South China Morning Post 2016). The TPP becomes invalid because it cannot proceed without a ratification by at least six countries with an aggregate GDP of at least 85% of the still 12 signatories, while the U.S constitutes around 60% of the total TPP members' GDP (Expertise Asia 2016). The trade deal appears to be meaningless also because spoke nations found it pointless to remain or ratify the agreement without the U.S being the hub of the TPP. The retreat of the TPP implies that the U.S is ceding Asian-Pacific economic leadership to China, effectively allowing Beijing to dominate the emerging regional economic architecture that excluded Washington. With the fading of the soft balancing power exerted by the U.S, the power balance thereby tilting towards China. To fill the power vacuum left by the U.S, Chinese President Xi Jingping made use of the APEC summit held in Lima, Peru in late November 2016 at which he called for the conclusion of the RCEP. Chinese proactive response to a fading TPP has received positive feedback by the RCEP negotiating members; the uncertainty of the U.S stance causes countries to look elsewhere for multi-lateral trade deals. The Malaysian minister for trade and industry II, Datuk Seri Ong Ka Chuan, said that his country would now be turning its efforts to completing RCEP after Trump's victory (Mitchell et al. 2016). For those seven countries having overlapping membership of TPP and RCEP, a fading TPP implies that hedging between the two hubs may not be envisioned. The seven states hence have responded to the termination of the TPP in different ways. Vietnam becomes an "all-in" member of RCEP; the country originally payed more attention to the U.S-led TPP in the hope of enlarging its export volume,, but now the U.S ally turns to China for the RCEP deal. Japan continues to hedge between the two trade deals; despite the fact that the Japanese Prime

Minister's insistence to convince President Trump of the importance of the TPP, Japan is at the same time negotiating for a trilateral trade deal with China and South Korea after Trump proclaimed to leave TPP. Australia has come up with the idea of "TPP 12 minus one", and expressed its willingness to let China and other Asian states to join the revised trade deal (South China Morning Post 2017).

The unexpected absence of the counter soft balancing within TPP strategy facilitates China's role as the chief architect in regional economic architecture, shifting the structure from a "two-hub" to a single hub architecture ominated by China. With the TPP off the table, China-led RCEP becomes the key and living mega trade deal in Asia. It is noted that Beijing-led RCEP would probably serve as the main avenue to the Free Trade Area of the Asia-Pacific (FTAAP), an end game for harmonizing all existing forms of FTAs activity and liberalizing Asian trade without U.S interference (Channel News Asia 2016; Martina 2016). The creation of China-centric trade pacts will allow China to embrace its own type of multilateralism, picking and choosing among flexible frameworks, in accordance with its national interests (Stuenkel 2015). It is believed that Chinese influence on the economic architecture could transcend beyond the regional level with the establishment of the Asian Infrastructure Investment Bank (AIIB) in 2015. Considering more than one-third of the 57 founding members are non-regional countries, Beijing-led AIIB is viewed as a competitor of the long standing, US-spearheaded International Monetary Fund (IMF) and World Bank within the Bretton Woods international economic architecture established in 1944 (Huang 2015). Apart from the leadership role, some observers argue that China could serve as a "stabilizer" to (oder of?) the regional economic architecture when the U.S becomes an unpredictable, somehow irresponsible actor under the Trump presidency. Pledged US$40 billion to foster the investment in countries along the "One Belt One Road" programme. The establishment of the "Silk Road Fund" in 2014 is another example showing the potential leadership of China in enhancing economic stability and development in the region.

The future engagement of the U.S in the East Asian regional economic architecture building process is largely obscure. With the withdrawal from the TPP, the Obama administration's pivot to Asia is no longer envisioned in the future of interregional relations between the US and East Asia. However, there is no indication that the U.S is leaving the region for good. Considering the President's enthusiasm for bilateral over multilateral free trade agreements (FTAs), it is anticipated that the U.S would re-engage in the regional economic architecture as an extra-regional FTAs hub, concluding bilateral trade deals with individual countries in the region. Given that a trade deal could take years to negotiate, President Trump nevertheless might not be able to involve into the Chinese driven regional

economic architecture as a bilateral trade hub in the course of his four-year term. With the absence of the soft balancing tactics in the region, the four-year period is perceived as a "golden" time for the Chinese counterpart to realize its strategy of becoming the main regional power by intensifying regional economic integration and setting up trade regulations and standards representing the country's interest, eventually bringing about "Making China Great Again."

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India and the East Asia Security Architecture

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India has emerged as a new player in the East Asia Security theatre since the 1990s. This process was fostered by domestic reforms in India and their repercussions on her foreign policy. First, the economic reforms after 1991 increased India's economic leverage in East Asia. China, Japan, and Southeast Asia belong to India's most important partners for trade, investment, and official development assistance. Second, different forms of military cooperation from training to military exercises and arms exports have become a much more important instrument in India's relations with East Asia, especially with Japan and Southeast Asia. Third, Indian foreign policy has developed a growing strategic convergence on security issues in East Asia with major actors, especially the United States. This has also facilitated a closer military and political collaboration. But in contrast to other players, India and China have also intensified their political cooperation on the global and regional level for instance with the foundation of BRICS (Brazil, Russia, India, China, South Africa).

China has always been at the center of India's foreign policy. But Nehru's attempts for closer collaboration with China failed due to the border war in 1962. Because of the divergent developments of both countries on the global level, today, India has to pursue a different strategy. In the 1950s, Nehru was a leading personality and India was regarded as a model for many states. Today, China is seen as the most powerful emerging economy.

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So, in contrast to the Cold War period, India has rapidly adapted her strategies and pursues her own variation of soft balancing vis-à-vis China. In order to highlight the argument, this paper will analyze the different bilateral relationships between India and the main players in the East Asia security theatre, namely China, Southeast Asia, Japan, and the United States.

1 India—China Relations

Already before India's independence in August 1947, Jawaharlal Nehru, who later became the country's first prime minister and foreign minister, had a clear vision that the international system after the Second World War would be of a different nature. He saw four countries as the most important actors in the upcoming global order: the United States, the Soviet Union, China, and India (Nehru 1946). Moreover, he wanted a closer cooperation of Asian countries. Already in 1945, Nehru brought up the idea of an Asian Federation that should represent the interest of Asian countries in world affairs. In September 1946, he laid down the principles of his non-aligned foreign policy: "We propose, as far as possible, to keep away from the power politics of groups, aligned against one another, which have led in the past to world wars and which may again lead to disasters on an even vaster scale" (Nehru 1961, p. 2). In March 1947, the first Asian Relations Conference took place in New Delhi. The participants of the conference condemned all forms of colonialism and imperialism and Nehru underlined his interest to strengthen the cooperation among Asian countries even if they were yet still colonized.

Hence, Nehru had a strong interest in closer relations with China in order to strengthen Asia's weight in global affairs. India was one of the first non-communist countries that recognized the new Chinese communist regime and supported China's membership in the United Nations (UN). During the Korean War, Nehru's intention was to integrate China in a peaceful settlement whereas the United States tried to isolate the communist regime. The five principles of peaceful coexistence (*Panch Sheel*), first laid down in the Indo-Chinese treaty on Tibet in 1954, were regarded as the guiding principles for their foreign policies. Nehru also succeeded in inviting China to the Bandung Conference in 1955. The "Hindi Chini Bhai Bhai" (India and China are brothers) enthusiasm during Nehru's visit to China in 1954 seemed to open a new era of collaboration between the two Asian giants. But since the mid-1950s, the heyday of Indo-China relations was marred by the unresolved border questions. The war of 1962 ended Nehru's vision of an India-China cooperation in world politics.

The centrality of China in Nehru's foreign policy became evident when he refused two offers by the United States in 1950 and the Soviet Union in 1955 to enter the UN Security Council as a permanent member. Irrespective of the debate about the seriousness of the offers, Nehru saw the entry of China in the UN as a much more important priority for his foreign policy than India becoming a permanent member in the UN Security Council (Harder 2015, p. 12).

The international importance of both countries has changed fundamentally since the 1970s. In the 1950s and 1960s, democratic India—and not communist China—was regarded as a model for development for the newly de-colonized states in Africa and Asia by western experts. In January 1957, the National Security Council pleaded for a stronger consideration of India in US foreign policy: "A strong India would be a successful example of an alternative to Communism in an Asian context and would permit the gradual development of the means to enforce its external security interests against Communist Chinese expansion into South and Southeast Asia" (Kux 1994, p. 154).

But India was not able to realize its own great power ambitions on the international stage. Nehru was one of the main architects of the Non-Aligned Movement (NAM) that was established in Belgrade in 1961. But the organization was too weak and fragmented so that it could not establish a new international order beyond the superpowers. In reaction to the rapprochement between the United States and China in 1971, India and the Soviet Union signed a Friendship Treaty which intensified their political, economic and military collaboration in the Cold War period.

The Non-Proliferation Treaty (NPT) of 1970 established a new international regime which again strengthened China's position vis-à-vis India. Although Nehru had always been a strong proponent for nuclear disarmament, India refused to sign the NPT because it could have entered the regime only as a non-nuclear weapon state. After India conducted its first successful nuclear bomb test in 1974, NPT members formed the Nuclear Suppliers Group (NSG) which imposed a variety of technological sanctions against India. In contrast to India, China's international weight further increased when it replaced Taiwan as a permanent member of the UN Security Council in 1971. Beijing's close relations with Islamabad, which started after 1962, continued to strain India's relations with China until the end of the Cold War.

The visit of Indian Prime minister Rajiv Gandhi in December 1988 opened a new chapter in the bilateral relationship. But the relationship seemed to be shaped by forms of hedging and soft balancing (Paul 2005; Kelley 2005) which included a mix of conflict, collaboration and competition. Bilaterally, the situation on the Line of Actual Control (LAC) could be improved by agreements in 1993, 1996,

and 2013. But until today, incursions on the border continue and do afflict the relationship. Following the liberalization and the reforms in India since 1991, the economic relations between the two countries broadened. Today, China is India's largest bilateral trading partner.

On the regional level, both countries competed for power and influence for instance in Myanmar, Nepal, and Sri Lanka, where China often had the upper hand vis-à-vis India (Wagner 2016). But even on the regional level, new forms of collaboration emerged for instance with the Bangladesh, China, India, Myanmar (BCIM) corridor which should link the Bay of Bengal with southern provinces of China (Aneja 2015, 26. June).

On the international level, both countries have often competed in the race for resources, for instance in Africa. But they have also developed new commonalities in questions of international order. Both sides agree in their critique of a Western dominated international order which is not in conformity with their own quests for status and power. Both governments are strong supporters of the idea of non-interference and are critical towards Western concepts like *Responsibility to Protect (R2P)* which they see as a template for regime change. So it is not astonishing that India and China are critical of the Bretton Woods institutions, are cooperating in new forms of club governance like BRICS (Brazil, Russia, India, China, South Africa) and have similar negotiating positions in international trade and climate negotiations. In 2017, India will become a full member of the Shanghai Cooperation Organisation (SCO). This will increase the cooperation with China with regard to security issues in Central Asia.

India's relations with China oscillated between the extremes of *China Fear* and *China Fever*. Indian security experts see China's long term support for Pakistan and its nuclear program as proof for China's anti-India attitude. They also fear that Chinese infrastructure investment in India's neighborhood in the context of its One Belt, One Road (OBOR) Initiative will lead to an encirclement of India by a *string of pearls* of military bases. China seems to be interested in enhancing its economic investments in India which has met reservations in New Delhi especially with regard to investment in sensitive infrastructure. But the Modi government seems to be interested in increasing Chinese investment in India (The Hindu 2016, 25. May).

China also seems to be alternating in its assessment vis-à-vis India. In summer 2016, two newspaper reports were published with contradicting views on India. India was first accused of blind followership towards the West. Later the Western media was identified as the main culprit for the tensions in the bilateral relationship (Neelakantan 2016a, 28. June, b, 7. Jul.). These diverging reports seem to mirror Chinese apprehensions of the increasing rapprochement between India and the United States.

2 India—Southeast Asia

India and Southeast Asia had an ambivalent relationship during the Cold War. Nehru has always promoted closer cooperation among Asian countries and became active in the dispute settlements in Indonesia 1949 and Indochina in the 1950s. But Nehru's non-aligned foreign policy was not compatible with the security concerns of Southeast Asia countries vis-à-vis their communist insurgencies. They opted for bilateral military alliances with the United States or multilateral arrangements. The Manila Treaty of August 1954 created the Southeast Asia Treaty Organisation (SEATO) as a military security system that followed the US containment policy. Nehru criticized this military alliance as another attempt of Western domination over Asia (Sridharan 1996, p. 25).

After the creation of ASEAN in 1967, there were serious deliberations in India to join the new regional organisation (Ayoob 1990, p. 11). Although India did share some of ASEAN's threat perceptions, for instance on communist insurgencies, the pro-Western strategic outlook of ASEAN seemed to have hindered India's entry into the new organisation. There were also reservations in Southeast Asia because of India's lingering Kashmir conflict with Pakistan (Sridharan 1996, p. 50).

The political development between India and Southeast Asia took very different trajectories after the 1970s. The concept of a Zone of Peace, Freedom and Neutrality (ZOPFAN) of 1971 underlined the common security perception among the ASEAN members which intensified their military collaboration with the United States. In contrast to this, India avoided military alliances, became a nuclear power in 1974 and turned into a regional hegemon with Indira Gandhi's South Asia doctrine. The relations between India and Southeast Asia were overshadowed by the Vietnam War. India's close relations with Vietnam were viewed critically by ASEAN (Ayoob 1990, p. 18). Vietnam's invasion of Cambodia in 1979 was seen as a threat by ASEAN and fostered their military cooperation with the United States. Indira Gandhi recognized the Cambodian government shortly after her return to power in 1980 which further marred relations with ASEAN (Majumdar 1982, p. 236). Politically, India stuck to her democratic traditions except for the emergency between 1975 and 1977. The countries in Southeast Asia developed different authoritarian regimes that began to promote their own political and cultural values in order to combine economic success with their political regimes. India and Southeast Asia also followed divergent economic policies. India's import substitution and renunciation from the global markets led to a dramatic decline of her share in Southeast Asian imports that fell from 2.2% in 1957/1958 to 0.5% in 1972/1973 (Banerjee 1994, p. 705).

At the end of the 1970s, ASEAN began to strengthen her relations with India. High level meetings helped to identify new areas of cooperation in order to enhance economic cooperation between both sides (Majumdar 1982, p. 178). During the 1980s, Southeast Asia's "Tiger economies" became a synonym for successful economic development and were regarded as a model for the developing world. On the other hand, India's inward looking mixed economy was unable to overcome the so-called Hindu rate of growth of about 3.5%.

India's economic liberalization in 1991 had far reaching consequences both on its domestic and foreign policy. The promotion of India's economic development has become a paramount task for its foreign policy and diplomatic service since then. The new guiding principles of export promotion, the attraction of foreign direct investment, and technology transfer were similar to the strategies that the Southeast Asian Tiger economies had successfully pursued since in the 1980s.

Prime Minister Rao underlined the new importance of the Asia Pacific for India's economic development: "The Asia-Pacific could be the springboard for our leap into the global market-place" (Rao 1994, p. 16). It was therefore only consistent with these new ideas that Southeast Asia became one main focus of India's foreign policy under the heading "Look East". Since the 1990s, India and ASEAN have expanded and intensified their collaboration on all levels. In 1992, India became first a sectoral and in 1995 a full dialogue partner of ASEAN. In 2002, India became a summit level partner for ASEAN. In 1993, India was invited to participate in the newly created ASEAN Regional Forum (ARF) that dealt with security issues and included extra-regional powers like China, the European Union and the United States. India's integration into Southeast Asia was supported by a number of newly established committees and councils like the ASEAN-India Business Council (AIBC) and the India-ASEAN Economic Cooperation Committee. In 2003, India acceded to the Treaty of Amity and Cooperation (TAC). In November 2004, the ASEAN-India Partnership for Peace, Progress and Shared Prosperity pact was signed. In 2010, the India-ASEAN Free Trade Agreement for goods came into force, and in 2014, a Free Trade Agreement for services and investments was signed (Mehra 2014, 9. September).

India and ASEAN are also negotiating in the context of the Regional Comprehensive Economic Partnership (RCEP) which is seen as an alternative for the Trans-Pacific Partnership (TTP). Besides the closer multilateral ties with ASEAN, India also intensified her bilateral relations with individual member countries. In summer 2005, India and Singapore signed the Comprehensive Economic Cooperation Agreement (CECA). The expansion of the bilateral relations led to an increase of trade. Between 2008 and 2011 trade between India and ASEAN rose from 42 billion US-$ to 80 billion US-$ (Pant 2012, 22. December). But it

should not be overlooked that the trade between ASEAN and China increased even more during the same period which underlined India's limited economic attractiveness for the region (Blank et al. 2015, p. 155).

The ASEAN members began to see India strategically as a counterweight against China whose maritime claims in the South China Sea raised growing concerns in Southeast Asia. ASEAN did not criticize India's nuclear tests in 1998. This was interpreted by the Indian Ministry of External Affairs the way that ASEAN has accepted India as a "balancing power" vis-à-vis China (Ministry of External Affairs 1999, p. 77). Since 2010, India is part of the ASEAN Defence Ministers' Meeting (ADMM) and has strengthened its security interests in the region.

It is often overlooked that the Andaman and Nicobar Islands with their military installations are geographically closer to Southeast Asia than to mainland India. Since the 1990s, India has established different forms of military cooperation with all ten ASEAN member states which includes defense agreements, strategic dialogues, training but also joint maritime exercises, for instance with Indonesia, Myanmar, Thailand and Singapore (Ministry of Defence, various volumes). The most elaborated military cooperation is with Vietnam and Myanmar. India and Myanmar are coordinating their military strategies in their fight against militant groups on both sides of the border.

India is also affected by the conflict in the South China Sea because Indian companies have offshore exploration rights on the Vietnamese coast. In December 2012, navy chief Admiral Joshi declared that the navy has "…to protect our country's economic assets wherever they are, otherwise what the Navy is for?" (Kumar 2012, 3. December). In November 2013, India and Vietnam signed an agreement on oilfields which are outside the Chinese claims (The Hindu 2013, 22. November).

Prime Minister Modi's announcement in 2014 that the Look East Policy will be replaced by an Act East Policy underlines the increasing importance of the region in India's foreign policy. Before the India-ASEAN summit in Myanmar in November 2014 he declared: „ASEAN is at the core of our Act East Policy and at the centre of our dream of an Asian century, characterised by cooperation and integration" (The Hindu 2014, 11. November). Both sides agreed to double the trade volume of 100 billion US-$ in 2014 to 200 billion US-$ in 2022 (Roche 2015, 12. March). Connectivity was aimed to be improved both by constructing road networks in Myanmar which should become the land bridge to Southeast Asia and by easier visa facilitation. The promotion of the common Buddhist tradition is a new element in India's Act East Policy. With the focus on soft power, New Delhi wants to further improve its relations to countries like Myanmar and

Thailand (The Times of India 2014, 26. August 2014). Moreover, India will further increase its military cooperation with ASEAN member states. In March 2016, India invited all 18 ASEAN Plus members[1] for a joint military exercise with the focus on humanitarian and peace keeping operations for the first time (Singh 2016, 20. January).

3 India and Japan

India and Japan had an ambivalent relationship over a long period of time. Japan has always been an important economic partner and is among India's most important donors. But Japan has also always been very critical of India's nuclear program which has marred the political and strategic relations between the two countries. Since the 2000s, both countries have expanded their political, economic, and military ties. Annual summits of the prime ministers since 2007 have intensified the political relationship on the highest level. Emperor Akihito undertook one of his rare foreign trips to India in November 2013. In January 2014, Prime Minister Shinzo Abe was the honorary guest on India's Republic Day. Prime Minister Modi's first foreign trip outside South Asia led to Japan in September 2014.

Both countries share the aspiration for greater international responsibility for instance with a permanent seat in the UN Security Council. Together with Germany and Brazil they have formed the G 4 for a reform of the UN institutions. India and Japan have both territorial/maritime conflicts with China and are challenged by the political repercussions of China's rise.

Economically, Japan's high technology industry and India's rapid growth and growing middle class are a complementary base for closer collaboration. The India-Japan Free Trade Agreement of 2011 lowered tariffs for goods in order to increase the bilateral trade which was around 13 billion US-$ in 2010/2011 (Monahan 2011, 16. February). In 2013, around 1000 Japanese companies were doing business in India (Katz 2014). Since many years, Japan is the largest donor of ODA in India and is investing heavily in infrastructure projects like the development of industrial corridors between Delhi und Mumbai and between Chennai and Bangalore (Dikshit 2012, 26. August; Reddy 2013, 29. May).

[1]The 18 ASEAN Plus encompasses the ASEAN member states plus Australia, China, India, Japan, New Zealand, Russia, South Korea, and the United States.

India's nuclear program has been the most critical issue in the bilateral relationship. Japan has consistently criticized India's military nuclear program. After the test in May 1998, Japan joined other developed countries and enforced sanctions against India which were lifted again in 2001 (Abraham 2016, p. 12). But Japan supported the waiver for the Indo-U.S. agreement on civilian nuclear cooperation in the Nuclear Supplier Group (NSG) in summer 2008. India, like Japan, is interested in expanding its nuclear program in order to meet its energy needs. But a treaty on nuclear collaboration could not be signed so far because of Japanese reservations with regard to India's military program, the discussion on the future of nuclear energy after Fukushima and the existing liability laws in India (Baru 2015, 15. December)

India and Japan have followed different security strategies vis-à-vis China. After the Second World War, Japan became a central pillar in the American security system in the Asia Pacific that consisted in various bilateral military alliances (hub and spokes). In contrast to this, India refused to join a military alliance although Nehru had asked the United States for military support during the border war with China in 1962. Since the 1990s, India has expanded her military collaboration with the United States (see below).

In 2007, Prime Minister Abe promoted a quadrilateral initiative with the United States, India, and Australia and emphasized the common democratic values in order to counter China. In the same year, the four countries undertook their first joint maritime exercise. After his return to power, Abe promoted the Diamond Security Initiative in 2012.

In 2006, both countries agreed to a strategic and global partnership (Jaishankar 2016). The joint declaration of security collaboration laid the foundation for the strategic dialogue and talks between the armed forces (Prasad 2011, 3. November). In 2014, both countries signed a defense agreement and transformed their bilateral relationship into a Special Strategic Global Partnership. During his visit in Japan, Modi clearly criticized the expansionist tendencies of states in the region which was seen as a rejection of China's maritime demands vis-à-vis Japan (The Economic Times 2014, 2. September).

Since 2012, Japan, India, and the United States have initiated talks on maritime security and regional hotspots. These talks were upgraded in September 2015 when the foreign ministers meet for the first time in Washington to discuss not only common economic questions but also the relationship towards China (Parameswaran 2015, 1. October). In the meantime, India has become Japan's number three –after the United States and Australia– with regard to its strategic partners. As for India's strategic partners, Japan is probably number two after the United States (Jaishankar 2016).

Since the 2000s, India and Japan have developed a variety of common interests. The challenge will be, how to transform these common interests into a joint strategy vis-à-vis the rise of China. Japan puts a stronger focus on normative aspects like democratic values as a foundation for multilateral collaboration. However, this is not shared by India. For India, the challenge will be not to enter military alliances which have been the preferred instrument in East Asia vis-à-vis China. The common strategic and economic interests and the good personal relationship between Modi and Abe will further deepen the bilateral relationship in the following years (Jain 2015).

4 India and the United States

China has always been the decisive factor in the relationship between India and the United States. In the 1950s, Nehru refused to give up his ideas for closer collaboration with China despite the massive financial support by the United States. In view of India's military defeat in the 1962 war, Nehru asked the United States for military support which ran against his ideals of non-alignment (Brecher 1981, pp. 123–124). In the 1970s, the rapprochement between the United States and China prompted India into a closer relationship with the Soviet Union. After the end of the Cold War, there is now a growing convergence between India and the United States on the challenges that are connected with China's rise.

During the Cold War period, India and the United States hardly found common areas for collaboration. India's strong anti-colonial and anti-imperialistic rhetoric created irritations among US foreign policy makers, for instance in 1951 when India criticized the peace treaty between Japan and the United States, in 1956 when India remained silent after the Soviet intervention in Hungary or in 1961 when Nehru took over the former Portuguese colony of Goa. Economically, the United States supported India's development. Between 1946 and 1966, the US was the greatest bilateral donor country for India. With the Public Law 480 in 1958, the US Congress laid the basis for massive food supplies to India. Hence, the United States accumulated and controlled a considerable fortune of Indian rupees since the 1960s. US Presidents tried several times to use their economic power in order to introduce a liberalization of India's mixed economy and reforms in the agricultural sector.

In 1966 after Indira Gandhi came to power, she agreed on the devaluation of the rupee by nearly 60% that turned into a domestic fiasco for the young prime minister. In order to appease her leftist critics and to find a balance towards the Soviet Union, Indira Gandhi blamed the 'aggression of imperialistic powers' in Southeast Asia. This infuriated the Johnson administration which made it clear

to the Indian government that a country that receives large amount of American wheat was not in the position to criticize US foreign policy (Kux 1994, p. 255). These episodes increased the distrust on both sides. For the US administration, India's economic policy under Indira Gandhi did not seem to fit into the foreign policy conception of the United States. On the other hand, diplomatic pressure by the United States increased Indira's distrust on the intentions of the US and her resistance against all kind of foreign involvement (Kux 1994, pp. 227–277). Moreover, the extensive economic and military support to Pakistan prevented better bilateral relationship between India and the United States.

China had been a stumbling bloc that prevented closer cooperation between India and the United States in the 1950s. At that time, it was Nehru who gave preference to the collaboration with China at the cost of the relations with the United States. In the early 1970s, the United States sought a rapprochement with China in order to exploit the ideological differences in the communist bloc. Kissinger's secret visit to Peking via Islamabad, the interference in the India-Pakistan war by sending the USS Enterprise into the Gulf of Bengal and the difficult personal relationship between President Nixon and Prime Minister Indira Gandhi further strained the bilateral relationship (Sisson and Rose 1992). The crisis of 1971 demonstrated one of the principal dilemmas of US relations towards India: "the United States is still unable to fix for India a place in its strategic schema of the planet, which would respond to India's national pride and aspirations and reflect its considerable achievements" (Sen Gupta 1981, p. 131).

After her return to power in 1980, Indira Gandhi began to realize the need both for domestic reforms of India's mixed economy and western technology. After her meeting with US President Reagan in Cancun 1981, the bilateral ties became stronger despite their divergences on international issues. In 1984, a joint commission was established that worked out common proposals for the Indian Ocean, and in 1985 the 'Year of India' festivals in the US tried to promote cultural understanding.

The bilateral relationship can be described as a process in which the former "estranged democracies" (Kux 1994) of the Cold War period turned into "natural allies" (The Hindu 2009, 30. January). Since the 1990s, the oldest and the largest democracy have reshaped their relations fundamentally. Today, they rest on a broad base of political, economic, military, and societal relations. The new quality of the relationship was described as a "three-stage rocket" of which the first stage was launched by President Clinton, the second by President Bush, and the third by President Obama (Varadarajan 2009).

Probably the most important factor is that the bilateral relationship is not only carried along by shared interests but also by the India diaspora in the United

States. There were more than two million Indians in the United States in 2013. They have higher educational qualifications and incomes than the average of the American population and they have brought in their interests, for instance during the negotiations on the Indo-US nuclear deal (Gottschlich 2012).

Besides the economic interests and its growing middle class, India plays an important role in the geo-strategic deliberations of the United States vis-à-vis China (Mohan 2012; Tellis 2013). For many (Neo-)Realists, the rise of India is an important counterstrategy against the rise of China. In the American debates, India is seen as "linchpin" or "global swing state" (Feigenbaum 2010; Fontaine and Kliman 2013). Vice-President Biden explicated the high expectations of the United States vis-à-vis India: "My dream is that in 2020, the two closest nations in the world will be India and the United States. If that occurs, the world will be safer" (Verma and Wadhams 2013).

This has led to an expansion of political, economic, and military ties in recent years. Between May 2014, when the new Indian government took over, and autumn 2016, Prime Minister Modi and President Obama met eight times on state visits and on the sidelines of international meetings, for instance the G 20 summit. The Indian and US defense ministers have met six times since they took over their portfolios. US Defense Secretary Carter has labeled the defense partnership between the United States and India as "an anchor of global security" (U.S. Department of Defence 2015). Foreign Secretary Kerry argued that "we may do more with India—on a government to government basis, than with any other nation" (U.S. Department of State 2016). The military collaboration which already started in the 1990s turned the United States into India's largest arms supplier. Between 2011 and 2014, the United States even passed Russia as number one (Sengupta 2015). Moreover, India conducts more military exercises with the United States than with any other country.

In the India-US Delhi Declaration of Friendship and the joint statement after Obama's visit to India in January 2015, both sides laid out their future agenda (The White House 2015a; The Hindu 2015, 25. January). In their joint vision for the Asia Pacific and the Indian Ocean, both sides emphasized their common views especially vis-à-vis China's territorial claims: "We affirm the importance of safeguarding maritime security and ensuring freedom of navigation and over flight throughout the region, especially in the South China Sea" (The White House 2015b).

During his visit in Delhi in April 2016, Defense Secretary Carter discussed various agreements like the Logistics Exchange Memorandum of Agreement (LEMOA), the Communications Interoperability and Security Memorandum of Agreement (CISMOA), and the Basic Exchange and Cooperation Agreement

for Geo-Spatial Cooperation (BECA) which aim to improve the inter-operability between American and Indian forces (Peri 2016, 12. April). The signing of LEMOA in August 2016 created domestic debates in India because the opposition saw this as a step to establish a military alliance with the United States (The Hindu 2016b, 30. August; George 2016, 30. August; Narayanan 2016, 5. September).

This would be seen as a major departure from the fundamentals of India's foreign policy because India has always refused to be part of any military alliance and has always emphasized her strategic autonomy. But it seems that Modi is slowly but steadily shifting the goalposts of India's foreign policy. During his visit in the United States in June 2016, the concept of a Modi doctrine was discussed which consists of a closer strategic collaboration with the United States and would therefore indirectly be aimed against China (The Economic Times 2016b, 12. June). This would mark a renunciation from previous governments which have always tried to keep a certain distance towards the United States despite the different forms of collaboration. The fact that this change was accelerated by Modi is even more striking because he was not even allowed to travel to the United States due to the riots against Muslims in Gujarat during his time as chief minister in 2002.

5 Conclusion

Since the 1990s, India aims to become a more important player in the East Asia Security theatre. During the Cold War, India was separated from East and Southeast Asia but the economic liberalization, the new foreign policy imperatives and the changing security challenges have brought India "back to Asia" after 1991. Concepts like "Look East/Act East" or the "Extended Neighborhood" indicate that Asia has gained a top priority in India's foreign policy not only with regard to the economic opportunities but also vis-à-vis the security challenges.

Like in the past, India's policy centers on China. The difference to the 1950s is evident. At that time, India was in the driver seat with Nehru trying to pursue his vision of an international order in which India and China would be paramount players. Today, India is being driven by her need for investment and technology and by China's infrastructure initiatives in various parts of South Asia.

Because of her limited resources and the different foreign policy traditions that is critical of military alliances, India pursues a different approach (Blank et al. 2015, p. 205). India has adopted a strategy of soft balancing that includes both strong economic relations with China but also an engagement in bilateral and

multilateral institutions that are directed against China. India has strengthened her political, economic and security linkages with ASEAN and has expanded her military relations with individual member countries of ASEAN, like Vietnam, Thailand, and Singapore. India may not be part of the hub and spokes security system in East Asia but it shares more norms and common interests with the United States and its allies than probably ever before. The Modi government has further enhanced the ties with the United States, has intensified relations with Japan and Vietnam, and has started a strategy in the Indian Ocean to counter China's influence among the island states. India seems to be benefitting from the growing rivalry between China and the United States and its Asian allies. Both countries seem to woo India in order to prevent her having too close relations with the other side (Wagner 2014; The Economic Times 2016a, 18. April). Taking the maximum out of this position for India's economic development will be one of the main challenges for the foreign policy elite in New Delhi.

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Crisis, Change and the Problem of Collective Self-Defense in Japan's Security Policy

Dirk Nabers

1 Introduction

After the widely reported humiliation in the Gulf War in 1991, when Japan refrained from supporting the United States in any meaningful military way by pointing to constitutional restraints, the government in Tokyo has tried to incrementally change Japan's defense posture during the subsequent two and a half decades and opted to engage more actively in international security affairs. Far-reaching policy changes became possible through the articulation of several foreign policy crises by the Japanese government in the 1990s and the early 2000s: the first crisis came in 1993 and 1994 with North Korea's withdrawal from the Non-Proliferation Treaty (NPT) and the risk of war with the United States; the second crisis was articulated in the aftermath of Pyongyang's ballistic missile test on August 31, 1998; the third developed with the terrorist attacks of September 11, 2001, setting the stage for major shifts within the institutional structure of Japanese defense policies until today.

The definition of "crisis" employed in the analysis will depart from standard definitions in its strict non-causal and discourse theoretical orientation. Two questions in particular will circumscribe this departure: Are the countless crises we are facing 'objective facts' that occur beyond people's control? And what role does politics play in defining the reach of crises? In approaching these questions, it will soon became apparent and inevitable that there is a need to follow a path

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that queries the objectivity of social structures, their full constitution—which is only periodically threatened in times of extreme crises—and the individualist tendencies that prevail in standard IR writings. Furthermore, it will be clear that foreign policy crises must be seen as what one might understand more precisely as broader identity crises, which are in turn best approached through an engagement with the poststructuralist notion of *dislocation*.

Deliberate attempts at suturing the dislocated structure of Japanese defense policy can be traced from the North Korean behavior in 1993 and 1994 to the April 1996 Hashimoto-Clinton summit, the "Japan-U.S. Joint Declaration on Security" and the "New Guidelines for Japan-U.S. Defense Cooperation" *(Nichi-bei bôei kyôryoku no tame no shishin)* of September 1997. Surrounding the articulation of the 1998 North Korean missile test as fundamental to Japan-U.S. security concerns, in May 1999 three guidelines-related bills were passed in the two houses of the Japanese Diet, one allowing SDF (Japanese Self-Defence Forces) rear-area support *(kôhô shien)* for U.S. military action, one amending the 1996 Acquisistion and Cross Servicing Agreement (ACSA, *Buppin ekimu sôgô teikyô kyôtei*) to permit the mutual provision of necessary goods and services in case of a military emergency "in the areas surrounding Japan" *(shûhen chi'iki ni okeru jitai)*, and the last revising the SDF law *(Jieitaihô)* to allow the dispatch of ships and helicopters of the SDF to rescue Japanese overseas. In addition, Japan passed three laws in the six weeks after the terrorist attacks of September 11, allowing the SDF to play a supporting role to the U.S. in its attacks on suspected terrorist bases. In the years after the September 11 attacks, the Japanese government took several steps which enlarged the sphere of security policies, including the transformation of the Japanese Defense Agency (JDA) into a full-fledged ministry (JMOD). Foreign policy change, it will be illustrated, results from the inextricable link between dislocation and the the incompleteness of national identities. In the next section, I will thus introduce a brief theoretical account of how crises and foreign policy are related and show how foreign policy change can be analysed. After that, the three aforementioned crises will be scrutinized on the basis of the developed framework. As a result of the analysis, I will summarize the most important findings as to the nexus between crisis and foreign policy change.

2 Crisis and Change

To be clear from the outset, this article claims that there is no ontological status of crises beyond the social practices that perform them 'into existence'. The range of responses is no longer determined by the ostensibly objective features

of an external shock, but by the power of the discourse that makes certain choices possible, and disqualifies others as illegitimate. From this follows, firstly, that a focus on crisis as a qualitative feature of the social instead of an understanding of crisis as 'crisis decision-making' or 'crisis management' becomes a prerequisite for a deeper analysis of foreign policy change (Nabers 2015). If we take 'crisis' to be a social in nature, then this requires a theory of the social that shifts the focus towards the ontological analysis of society, for if we want to gain a better understanding of social change it might be wise to inquire into what exactly might change in the first place. In this restricted sense, ontology entails assumptions about the status of social structures and the nature of subjectivity, as well as the relationship between the two. Change can be seen as deeply rooted in crisis and vice versa, while crisis can be conceptualized as a permanent attribute of the social, not some momentary condition that surfaces from time to time.

In a nutshell, social change occurs as a result of the nature of discourse, which rests on three essential assumptions (Laclau 1996 and 2005): First, it is internally deficient and therefore the—inevitably futile but still indispensable—prospect of a development towards homogeneity and closure is a logical consequence. Second, discourses are in constant contact with other discourses. They are intimidated by alternative, at times contradictory, meaning systems; texts are interwoven with other, pre-existing texts, and their internal coherence remains an illusion. Third, the continuous struggle for discursive closure is a political process, which subverts the moment of dislocation: dislocation as disrupted by politics, aiming at the re-institution of societal fullness.

These three assumptions make discursive change, and with it social or cultural change, possible. The theoretical notion for making sense of the internal incompleteness of discourse is the notion of *dislocation,* a situation of fragmentation and indeterminacy of articulations of different identities within the field of discursivity (Laclau and Mouffe 1985, p. 7 and 13; Laclau 1977, p. 103; Laclau 2005, p. 122). The notion of dislocation can be understood as a structural failure in the sense of numerous signs or identities being present in other and therefore posing a subversive threat. In linguistic terms, a discourse is dislocated when it cannot integrate or explain certain 'events'. Those 'events' remain incomprehensible; they are characterized by uncertainty over what they signify and imply. They cannot be incorporated within existing frameworks of intelligibility; new dominant interpretative frameworks for political action are necessary.

A crucial question is how a political project has to look to be successful. Why does one social group carry more weight than others? To answer this question, let us scrutinize the process of political change more closely. The transition from one dominant discourse to another is a highly complex venture, encompassing a

fundamental reconstruction of existing subjects. With regards to crisis and change in global politics, it can be summed up as follows:[1]

1. *Sedimented discourses:* The theoretical starting point is a dislocated social structure, more specifically: a dislocation of sedimented discourses within the wider field of discursivity. Discourse is always constituted around a constitutive lack, an unfulfilled identity of a particular social group. In global politics, this is often a state or nation, but it could also be a regional tribe or a suppressed minority group. Nations generally originate in the myth of a fully reconciled society, which is articulated as threatened.
2. *Dislocation:* In the event of dislocation, competing political forces will endeavor to hegemonize the gap between security and threat. Alternative discourses start to compete in their articulation of the crisis and their attempt to resolve the 'lack' triggered by the articulated crisis. The ongoing contact with different discourses takes on the appearance of a discursive struggle. Discursive change becomes possible through the combination of different incomplete discourses and the substitution of particular elements by others. So called empty signifiers like 'security', 'freedom', 'liberty' and 'order' function as horizons, as a 'surface of inscription' for a number of specific political articulations (e.g. Herschinger 2011; Renner 2016; Nabers 2015).
3. *Antagonism:* plays a crucial role in this process. Opposed identities, such as the North Korean or Chinese and the Japanese, are articulated as conflicting, while the identity of a group or nation requires the complementarity between its internal elements, articulated into a homogeneous chain of equivalences. (Laclau 2014, p. 101–103) Social struggles unite particular elements (e.g., peace, anti-nuclear, religious, national and anti-minority movements) that are in principle unrelated and heterogeneous, set them into opposition to a radically excluded camp and transform them into moments in what is called an equivalential chain (Laclau and Mouffe 1985). The antagonist threatens the security of the community, while at the same time elucidating the impossibility of perfect security.

[1]As Laclau puts it in *Emancipation(s)*: "If all differential struggles […] are equally capable of expressing […] the absent fullness of the community, […] if none is predetermined per se to fulfil this role; what does determine that one of them rather than another incarnates, at particular periods of time, this universal function?" (1996, p. 42). In this context, we can refer again to Vasquez and Mansbach (1983), who contend that global political change proceeds through identifiable stages; for an analysis of ideal-types in IR, see Williams (2005, p. 111–113).

4. *Institutionalization:* In the disruption of sedimented practices, the genuinely material character of discourse becomes all too visible, as old institutions are no longer able to represent the demands of the political sphere, visible, for instance, in the transformation of the JDA into JMOD. Crucially, it has to be emphasized here that it is only in times of structural dislocation that subjects are capable of changing the established social order. In due course, these identifications will become more and more routinized, the discourse becomes what Laclau calls an imaginary, "not one among other objects but an absolute limit which structures a field of intelligibility and is thus the condition of possibility for the emergence of any object" (Laclau 1990, p. 64). As it becomes an imaginary, the discourse will generate new kinds of political action along the lines of the dominant articulatory framework. Alternative, competing, and at times mutually exclusive discourses lead to alternative forms of political action. The ascription of meaning to the 'world' by discourse excludes diverse other meanings, thereby constituting identities in only one particular way. Eventually, specific cultural forms like norms, rules, (political) institutions, conventions, ideologies, customs, and laws are all influenced by this process. This is an exercise of power in its purest form, as it categorically excludes alternative institutional frameworks. Antagonism gains a temporal character in this context: The initial negativity of the discourse, characterized by the construction of antagonistic frontiers with enemies—increasingly recedes in this process and is gradually replaced by a positive identification with the newly established identities. The 'lack' that was triggered by the crisis is resolved and the process is then experienced as the recovery of something that has been there all along (Norval 1996, p. 13 and 96; Smith 1998, p. 165).

The eventual establishment of an illusionary new identity requires a radically different past which has to be overcome. However, the dislocated social structure will never be fully sutured, hegemony remains a contingent intervention and institutionalization must be characterized as an on-going endeavor that continuously takes on new forms. Were signification and institutionalization eternal, dislocation would be replaced by stability. The fragility of the social and the impossibility of signification become the precondition of sociality on the one hand and the attempt to erect stable meaning systems on the other. Yet, nothing is essential, nothing pre-determined in this process, any infinite kind of historical form is possible. The evolving societal structure is never fully constituted and hegemonic interventions are possible at any time. The adoption of a particular signifier as an empty one and the construction of a unifying chain of equivalences is contingent and is never to be understood as a once-and-for-all decision. The battle between

discourses to become the leading social structure brutally reveals the configuration of power relations in a given historical moment. Hegemonization makes power discernible in the first place.

To round up this discussion of crisis and change, we have to introduce Laclau's notion of *credibility*. One could hypothesize that one predominant political interpretation of an articulated crisis will evolve due to its linkages with residual institutions. Put differently, if the new political project clashes with the "ensemble of sedimented practices constituting the normative framework of a certain society" (Laclau 1990, p. 66, 2000, p. 82), it will likely be rejected. Credibility implies *availability,* in that a political project has to be connected with certain political traditions that subjects identify with. This argument will certainly lose weight with the extent of the articulation of crisis. The more far-reaching the dislocation of a discourse is, the fewer principles might still be in place after the crisis. However, it is hard to imagine that a society is dislocated to such a degree that it requires complete re-institution. Even in the most severe crisis, like the nuclear catastrophe at Fukushima, vast areas of societal sedimented practices remain intact.

Finally, once a particular social force becomes hegemonic, it might be able to prevail for some time. Laclau argues that when a discourse reaches the stage of establishing a dominant representation of reality for all those participating in the communicative process, it reveals a lot about the course of action in collective identity formation. If the same 'reality' is reflected in the articulations of all interacting subjects, one can speak of hegemony. Different subjects compete for hegemony by offering their specific 'systems of narration' as a compensatory framework for an articulated crisis, thereby attempting to fix the meaning of social relations. Hegemony therefore reproduces our daily life; it starts to be hegemonic when our everyday understanding of social relations and the world as a whole starts to alter according to the framework that is set by the hegemonic discourse. It is an act of power because it makes the world intelligible: "The power of discourse to materialize its effects is thus consonant with the power of discourse to circumscribe the domain of intelligibility" (Butler 1993, p. 187; see also Laclau 1977, p. 103; Laclau 2005, p. 106 and 115). In a final step, the discourse produces specific practices and institutions. It acquires material objectivity by becoming institutionally fixed. Reflecting Gramsci's understanding of hegemony, institutions are supportive in providing stability in unstable social situations and therefore help to circumvent or minimize the use of force.

The theoretical vocabulary describecd here will be employed in the following to analyse the nexus of crisis and change in Japan's security policies between the early 1990s and 2017. In detail, the study will include speakers from within the

Japanese government and from opposition parties that are influencing the course of the discourse. Influence is a subjective category that is difficult to measure. A component of a discourse on a particular topic is considered influential when it is referred to by other speakers, when it is established as a *topic* in a discourse. The empirical focus will be on language and forms of language use. Apart from speeches of top politicians and major political declarations, samples of speech acts will be selected from the three leading Japanese daily newspapers *(Asahi Shinbun, Nihon Keizai Shinbun, Yomiuri Shinbun)* and one English newspaper *(The Japan Times)*. The textual samples used in the empirical analysis will primarily serve to establish the link between crisis and foreign policy change, rather than being subject to detailed textual analysis, which would include a thorough analysis of syntax and grammar. The analysis will instead put emphasis on argumentation and focus on discourse strategies in dialogue between the government and other influential societal actors that aim to change dominant meanings about Japan's security policy.

3 The First Crisis: North Korea's Nuclear Programme

Following Stephen Walt's definition, an alliance is usually a formal or informal commitment to security cooperation between two or more states. Although the particular arrangements of different alliances vary greatly, the defining feature of an alliance is a pledge for reciprocal military support against an external actor in some specified set of circumstances (Walt 1987). Its purpose, therefore, is to combine two or more member states' military capabilities. On the basis of this rather general definition, the Japanese-American security treaty has for a long time not constituted an alliance because it was one-sided, insofar as the Japanese Self-Defence Forces would never have come to aid the US military in case of an armed attack on the US. Moreover, the pact has since the beginning lacked a substantive military structure. There was no institution or modus operandi in place for consultation and implementation of joint military action. Some observers have therefore questioned its sustainability after the end of the Cold War (e.g. Tsuchiyama 1993).

This short summary of sedimented practices within Japan's security posture circumscribes the framework in which potential change of security discourses takes place. Sedimented practices describe identities that are at least temporarily stable and, through their non-determinist structure, a notion of subjectivity to become thinkable. Talking about crisis in this context precisely means the dislocation of such sedimented practices, by questioning the stability and rationality of

traditions, which in themselves have never been stable, but contingent and essentially dislocated at all times. In short, the defining element of the discursive is its essentially dislocated character. We will thus see that the four crises depicted in the following were not crises out of themselves, but laid bare the fundamentally dislocated character of the Japanese society.

Assuming that of all the causes of the dissolution of an alliance, the most palpable one is an alteration in the nature of the threat that produced the original institution, and recognizing further the fact that the Soviet threat had disappeared by the end of the 1980s, it is extremely surprising that the Japanese-American security relationship is still well in place. Thus, we have to ask how it was possible that the alliance persevered over time. To answer this question, one has to take a closer look at security-related discourses in Japan since the beginning of the 1990s, which will reveal a correlation between the articulation of crisis, discursive threat creation and foreign policy change.

The first articulation of crisis after the end of the cold War developed in March 1993, when North Korea abruptly withdrew from the Non-proliferation Treaty (NPT) (Harnisch 2000). The move by Pyongyang left the Japanese government seemingly concerned about growing tensions in Northeast Asia and puzzled over its neighbors intentions. In its first official statement, Tokyo anticipated "grave repercussions" for the region. North Korea was represented as an outcast of the world community by the Japanese government, with foreign minister Michio Watanabe calling the situation "a critical challenge to world security"[2] and a spokesman of the Ministry of Foreign Affairs (MOFA) predicting that "isolation could make North Korea step up its hardline actions".[3] Defense Agency chief Toshio Nakayama spoke of "a big shock",[4] while South Korea's defense minister Kwon Young-hae said his government believed that the North had already developed nuclear detonators and successfully test-fired missiles with a range of 1,000 km,[5] thereby intensifying security-related debates in Japan during the summer of 1993. Later, Japanese Prime Minister Miyazawa—spoke of "a critical threat to Japan".[6]

[2]"Pullout of nuclear pact further isolates North Korea", in: *The Nikkei Weekly*, 15 March 1993.

[3]"Tokyo concerned over Pyongyang's move", in: *The Japan Times*, 13 March 1993.

[4]Dialogue with North Korea urged, in: *The Japan Times,* 15 March 1993.

[5]"North's nuclear ability rated", in: *The Japan Times*, 17 March 1993.

[6]"Tokyo to keep pressure on Pyongyang", in: *The Nikkei Weekly*, 5 April 1993.

Distrust loomed large in Japan at that time and was conspicuous in the ensuing discourse. North Korea directly constitutes Japan's security (unfullfilled) identity. The country is not just articulated as one more element in a structure of global social differences, but one in an antagonistic relationship to Japan. As Laclau summarizes in one of his later works: "[T]he only possibility of having a true outside would be that the outside is not simply one more, neutral element but an *excluded* one, something that the totality expels from itself in order to constitute itself" (Laclau 2005, p. 70). The eventuality of a hegemonic discourse thus depends on the construction of a threatening, excluded outside: "a radical exclusion is the ground and condition of all differences" (Laclau 1996, p. 39); it is the unifying ground of any system. What follows from this is that there are relations of equivalence between in-group actors, which create antagonisms to other social groups. These social groups might not be real in the sense that they exist as an objectively identifiable social collectivity; they can be entirely constructed by discourse, or they can be temporal 'Others' who have existed at some point in the past.

Accordingly, the governing Liberal Democratic Party characterized North Korea as the "greatest threat to Japan"[7] and the new foreign minister Kôji Kakizawa warned that North Korea's behavior could lead to an escalation of the security situation in Northeast Asia.[8] It becomes obvious here that the process implies a temporal dimension. The establishment of a new identity requires a radically different past which has to be overcome. The debate in Japan thus culminated in newly-inaugurated prime minister Tsutomu Hata's warning in the summer of 1994 that Japan possesses the capabilities of building nuclear weapons in a short time.[9] Although Japan continued its anti-nuclear stance, Chris Hughes quite convincingly argues that it chose to upgrade its *Patriot* surface-to-air missile (SAM) system in the summer of 1993 to the PAC-2 anti-ballistic missile system. Furthermore, Tokyo and Washington established a joint Theatre Missile Defense Working Group, eventually resulting in joint research on the technological implications of ballistic missile defense (BMD) (Hughes 2004, p. 108).

[7]"Nitchô kôshô ni eikyô sezu" (No impact on normalization talks), in: *Nihon Keizai Shinbun*, 13 June 1993.

[8]"Pyongyang clarity urged", in: *The Japan Times*, 21 June 1994.

[9]"Japan has ability to make nuclear bombs, Hata admits", in: *The Japan Times*, 18 June1994.

Directly following an intense phase of threat creation in the years 1993 to 1995 were the April 1996 Hashimoto-Clinton summit and the 'Japan-US Joint Declaration on Security' and the 'New Guidelines for Japan-US Defence Cooperation' *(Nichibei bôei kyôryoku no tame no shishin)*. While a proposal to implement measures that allow mutual logistic support failed in 1988 due to domestic expectations in Japan that they would be opposed by left-wing political groups, the construction of an unstable and unpredictable Korean peninsula set the stage for a pact signed by then U.S. ambassador Walter Mondale and Japan's foreign minister Yukihiko Ikeda.[10] 18 months later, new guidelines for joint cooperation in regional emergencies were presented to the public.

The guidelines clearly illustrate the nexus between a dislocated identity, the connection with sedimented parctices, antagonism and novel institutionalized practices. At this juncture, crisis and change overlap, "the overcoming of fear requires the institutionalization of fear", as David Campbell puts it (Campbell 1998, p. 58). While the old guidelines for security cooperation were restricted to general directions on how Japan and the United States would cooperate in defending Japan, the new guidelines underwrite what was represented as a wider and deeper bilateral defense cooperation between the two countries (esp. Nabers 2000; also Mulgan 2000 and Murata 2000). The new guidelines were issued on September 24, 1997. They outline a framework for:

- cooperation between the Japanese Self-Defence Forces (SDF) and the US army 'under normal circumstances', meaning collaboration in peacetime;
- cooperation in response to a direct armed attack against Japan. While the SDF will primarily conduct defensive operations on the territory of Japan and its surrounding waters and airspace, US forces will offer support;
- cooperation 'in situations in areas surrounding Japan that will have an important influence on Japan's peace and security'. Functions and fields of bilateral cooperation include humanitarian relief activities, search and rescue measures, non-combatant evacuation operations, Japan's support for U.S. forces activities, and Japan-US operational cooperation.[11]

[10]Nabers 2001; "Far East crisis cooperation eyed", in: The Japan Times, 16 April 1996.

[11]See the text of the guidelines and related documents in: *Japan Times*, 24 September 1997; *The Daily Yomiuri*, 24 September 1997.

This development represented the most significant expansion of Japan's responsibilities in the alliance since its foundation in the 1950s. While the engagement of the SDF in combatant roles remained restricted to self-defense and the Japanese government's rejection of the right to collective self-defense remained untouched, the new guidelines nonetheless underwrote deeper and wider bilateral defense cooperation between Japan and the US (Mulgan 2000, pp. 227–228; classically Maeda 1992). For the time being, Japan was able to preserve its traditional identity of self restraint in military affairs, since no legislative requirements were connected with the guidelines. Yet, Tokyo quite openly demonstrated its willingness to broaden its commitments to the US.

The short discussion of this first articulation of crisis in the 1990s shows that dislocation eventually led to new institutionalized practices, which retroacted on the dislocated social structure. It looks like the process gained a self-perpetuating character. This, however, is not so. A dislocated social structure will never be fully sutured, hegemony remains a contingent intervention and institutionalization must be characterized as an on-going endeavor that continuously takes on new forms. Were signification and institutionalization eternal, dislocation would be replaced by stability. The fragility of the social and the impossibility of signification become the precondition of sociality on the one hand and the attempt to erect stable meaning systems on the other. Yet, nothing is essential, nothing predetermined in this process, any infinite kind of historical form is possible. The articulation of crisis becomes the fundamental prerequisite for further changes to become possible.

4 The Second Crisis: North Korea's Missile Test

Comparable to the concept of 'dislocation', institutionalization works on two levels: internally and externally, while both levels exist in a mutually contingent relationship. Eventually, specific cultural forms like norms, rules, (political) institutions, conventions, ideologies, customs and laws are all influenced by the hegemonic process. This is an exercise of power in its purest form, as it categorically excludes alternative articulatory frameworks. Although the guidelines were not a legally binding document, in May 1999 three guidelines-related bills were passed in the two houses of the Japanese Diet, one allowing SDF rear-area support *(kôhô shien)* for US military action, one amending the 1996 Acquisistion and Cross Servicing Agreement (ACSA, *Buppin ekimu sôgô teikyô kyôtei*) to permit

the mutual provision of necessary goods and services in case of a military emergency 'in the areas surrounding Japan', and the last revising the SDF law *(Jieitaihô)* to allow the dispatch of ships and helicopters of the SDF to rescue Japanese overseas.[12]

An intensive phase of work on the bills followed after the articulation of a second major crisis in the late summer of 1998, set off by North Korea's test of a two-stage ballistic missile on August 31, 1998, that passed over North-east Japan before exploding in the Pacific Ocean.[13] Immediately after the news of the missile test reached Japan, Tokyo reacted in outrage and announced a major policy shift toward Pyongyang, suspending food aid and assistance for the light-water nuclear reactor projects that had been initiated in 1994.[14] As in 1993, the security of the Japanese mainland stood at the centre of public discourses surrounding the event. "I believe the Japanese people are extremely uneasy and I am gravely concerned", Prime Minister Obuchi said.[15] Three days after the event was described by all news outlets in Japan, Obuchi called it "a matter of our national sovereignty" and denounced the missile test as an "unforgivable act", while both houses of the Diet unanimously adopted resolutions condemning the missile launch.[16] In the fall of 1998, threat creation once again became functional to political purposes. Normal life had been interrupted by the articulation of severe insecurity, which was directly connected with the implementation of long-postponed bills on national defense. In the poststructuralist literature, it has been argued that the very concept of the political is based on the identification of the enemy (e.g. Campbell 1998; Jackson 2005; Nabers 2015), which was easy to construct in these times of deeply dislocated Japanese identities. It needed the presence of the North Korean threat, the '*Taepo-dong* shock' to prepare for further changes in Japan's defense posture. Antagonisms, one could conclude at this point, are external to society; they mark the limits of objective society, thereby preventing a fully closed cultural structure.

[12]"Diet begins full debate on defense cooperation bills", in: *The Japan Times*, 18 March 1999; "Govt to set up panel on intelligence satellite", in: *The Daily Yomiuri*, 16 March 1999; "3 Parties in accord on defense guidelines bills", in: *The Daily Yomiuri*, 16 April 1999.

[13]"Kita chôsen, taiheiyô ni misairu", in: *Asahi Shinbun,* 1 September 2001; Anthony (2000).

[14]"Seifu ga anpo kaigikon" (Government holding secret security meeting), in: *Asahi Shinbun,* 2 September 1998.

[15]Outraged Japan to halt food, reactor aid to North Korea, in: *The Japan Times,* 2 September 1998.

[16]"Diet condemns North over firing of missile", in: *The Japan Times,* 4 September 1998.

Yet, they deeply infiltrate the internal structure of a society and prevent homogenization. Any form of consensus amongst the members of a community is, in other words, the result of a temporary hegemonic constellation relying on these two logics.

This complex process of identity formation in the security field eventually made far-reaching institutionalization possible. For almost two years, a consensus between the ruling LDP and its coalition partner at that time, the Liberal Party, with the opposition camp on a definition of the "areas surrounding Japan" *(nihon shûhen)* seemed far away. Especially the question whether the provision of logistical support for U.S. forces required prior Diet approval led to heated debates. Ultimately, the Communist Party and the Social Democrats opposed the bills, insisting that they are about preparing for war and "trampling on the Constitution".[17] Passage of the bills was feasible because the Democratic Party, at that time the largest opposition party, had softened its stance on them after the North Korean missile test.

After the bills were passed, Japan and the United States continued to work on a new "comprehensive mechanism" to deal with regional contingencies. As in 1993, the crisis led to a further boost in BMD research. In a first statement after the missile launch, the chief cabinet secretary announced initial steps in this direction: "In connection with Japan's defense policy, technical study on the ballistic missile defense system will be further continued, and the bills related to the Japan-US Defense Guidelines are expected to be approved and enacted soon" (MOFA 1998). In December 1998, Tokyo formally approved joint funding with the United States, resulting in research on four BMD interceptor technologies (Hughes 2004, pp. 108–109). The government insisted the BMD programme was still in a "pre-natal", exclusively research-oriented stage. Admitting that interceptor missiles were actually developed at that stage would have had major implications for the right of collective self-defense, as BMD systems, in order to work effectively, demand the free flow of information between Japan and the United States and vice versa. Without engaging in combat activities, Japan would have to cooperate closely with the American alliance partner. In case of an armed attack on the United States, an intercepted missile by Japan would clearly violate long-held principles.

In fact, Japan increasingly played the role of a huge aircraft carrier in the United States' global security strategy since the second half of the 1990s. Until September 11, 2001, the alliance was never really tested, which allowed Japan to confine its role to rear area functions. While the new guidelines of September

[17]Defense Bills Poised To Win Opening Battle, in: *The Nikkei Weekly*, 26 April 1999.

1997 and the guidelines-related bills of May 1999 have not openly breached the principle to abstain from exercising the right of collective self-defense, various steps had already been taken that would call long-held policies into question. It is debatable whether a country has to engage in combat activities to actively exercise the right of collective self-defense (for a discussion Nabers 2000, 2006a). Yet, the process also elucidates the role of sedimented practices in the analysis of crisis and change: Sedimented practices, such as the widely accepted Art. 9 of the Japanese constitution (Hook and McCormack 2001), constitute themselves within the framework of a particular symbolic order, but are eventually able to generate new institutionalized material structures which can be rather durable.

In the following years, these long-held principles were again put to a test. In Europe, America's alliance partners showed immediate reaction after September 11 by invoking Article 5 of the NATO treaty, thereby using their right of collective self-defense and promising to assist the United States in its war against terrorism "by taking forthwith, individually and in concert with the other Parties, such action as it deems necessary, including the use of armed force […]" (Article 5 of the Washington Treaty). NATO's secretary-general Lord Robertson time and again reiterated that the United States of America can rely on the full support of its 18 NATO allies in the campaign against terrorism. This argument played an increasingly important role in the ensuing discourse in Japan, shedding further light on the conceptual nexus of crisis and social or identity change. The next section will hence summarize Tokyo's reaction after the terrorist attacks and argue that collective self-defense was exercised even though Japan did not engage in combat activities.

5 The Third Crisis: 11 September 2001

Apparently to counter criticism and show the world that it is able to act quickly in situations of crises, Japan passed three laws in the six weeks after the terrorist attacks of 9/11 allowing the SDF to play a supporting role to the US in its attacks on suspected terrorist bases. The bills allow the Japanese forces to provide logistic and other noncombatant support to the U.S. army, engage in search-and-rescue activities for military personnel and carry out humanitarian relief operations as well as guard U.S. bases in Japan or fire on suspicious vessels in territorial waters. To make swift decisions possible, the government was obliged to seek Diet approval only 20 days after the dispatch of the SDF (Nabers 2006b).

The Japanese support and the open demonstration of solidarity with the United States in the days after September 11 were overwhelming. On the day after the

attacks, Japanese Prime Minister Jun'ichirô Koizumi pledged his government would "spare no effort in providing the necessary assistance and cooperation" (Prime Minister's Office 2001c). One week later, Koizumi promised that "Japan [would] take its own initiative towards the eradication of terrorism, in cooperation with the United States," and committed his government to taking the necessary measures for the eventual dispatch of the Self-Defense Forces (SDF) to support the United States (Prime Minister's Office 2001d). This announcement came directly after U.S. Deputy Secretary of State Richard Armitage had advised Japan to "show the flag" in any future military action.[18]

Bound by its pacifist constitution, Japan can—according to the long-held view of the government—only provide rear-area support, non-offensive information gathering, and minesweeping in the event of a conflict outside Japan, that is, support "within a scope that [would] not constitute an integral part of the use of force" (Prime Minister's Office 2001e). While it is questionable whether the active assistance of an ally needs to involve the use of force to represent a case of collective self-defense, Japan's role after September 11 definitely crossed the Rubicon. Theoretically, this is of interest, since it exposes the widely unnoticed transition from one dominant discourse to another. In this context, social change implies the de-sedimentation of hegemonic discourses and the establishment of new frames of intelligibility that subjects may identify with. These processes embody the nexus between crisis and change: *Crisis as dislocation, difference and incompleteness; change as the continuous but ultimately futile effort to gain a full identity*.

Tokyo's efforts culminated in Diet approval of the Anti-Terrorism Special Measures Law only six weeks after the terrorist attacks, on October 29, 2001, which was lauded as a sign of unprecedented solidarity by the USA. American ambassador to Japan Howard Baker said that the United States "is grateful that Japan has acted so promptly and so well".[19] The White House welcomed Japan's support, declaring that "Japan's actions demonstrate its commitment in the fight to eradicate international terrorism and its compassion and sympathy for the victims of terrorism in the United States" (The White House 2001).

In the days following the attacks on New York and Washington, threat creation was again entangled with political purposes (Jackson 2005, for a detailed account), both in the United States and Japan. Life as normal had been interrupted by a new form of insecurity, and from now on, it was not only the United

[18]"Armitage wants bills on SDF role passed soon", The Japan Times, 7 October 2001.

[19]"SDF antiterrorism bill wins quick Diet passage", The Japan Times, 6 October 2001.

States but the whole "civilized world" which was vulnerable and which might be attacked by terrorists. Constructing fear served the function of maintaining quiescence and de-legitimizing dissent both within the United States and the entire international community, including Japan (Hariman 2003). The idea is related to an important dimension of the war on terror discourse that gained hegemonic character in the liberal-democratic world: The 'new kind of terrorism' that was now also threatening American allies and drew a line between the Western, peace-loving world and some radical Islamic societies. Considering itself part of the "west", Japan was in line with the United States when it came to interpreting September 11 as an expression of a global threat. The words of the Japanese Prime Minister can be seen as paradigmatic in this regard: "I am outraged by these acts which pose a grave challenge not only to the United States but to the entire free world" (Prime Minister's Office 2001a). The Japanese worldview seemed to be entirely harmonious with the American one when it comes to threat articulations. Koizumi constructed terrorism as "a despicable act that threatens the lives and lifestyles of the people all over the world and the peace and security of all the countries in the world" (Prime Minister's Office 2001f). The new Japanese National Defense Program Outline (NDPO) thus focused on terrorism as the most imminent threat to the country's security, stipulating the establishment of a special force aimed at responding promptly to terrorism and guerrilla warfare.[20]

There was wide acceptance for this vision in Japan. Tokyo time and again points into the direction of North Korea as its principal threat,[21] relying on the United States for protection. On that background, Prime Minister Koizumi declared on October 7th, the start of the Afghanistan war: "Japan strongly supports these actions to fight against terrorism" (Prime Minister's Office 2001b). When it came to the invasion of Iraq in March 2003, the Koizumi government unsurprisingly showed trust in the Bush administration although multilateralism was dismissed by Washington in the prior months. Japan underlined its basic commitment to the alliance with the United States several times. The Japanese government officially informed the United States in December 2002 that it would back the U.S. if it launched military operations against Iraq (MOFA 2003). Tokyo also urged the U.S. to create an environment in which the international community could jointly back the U.S. if it commenced an attack against Iraq, but

[20] 'New defense plan urges flexibility for new threats', *The Japan Times*, 6 September 2004.

[21] As foreign minister Yoriko Kawaguchi put it on the occasion of Assistant Secretary of State of the United States James Kelly's visit to North Korea in October 2002: 'Japan is very concerned about the issues of weapons of mass destruction, including nuclear weapons and missiles.' See MOFA, 2002.

eventually the failure to achieve a multilateral solution under the heading of the United Nations was no obstacle for Japan to support the U.S. On the day after the war had begun in Iraq, Prime Minister Jun'ichirô Koizumi reiterated his support for the U.S.-led attack, saying it is "natural" for Japan to back Washington as an ally, even if public sentiment tends into another direction, as Koizumi put in plain words: "The U.S.-Japan Security Treaty acts as a major deterrent against actions by North Korea. My actions are based on careful consideration of the importance of the Japan-U.S. alliance and the international cooperative situation" (The Japan Times, 24 March 2003).

This is an interesting case of norm reformulation on the Japanese side. Müller explains that constitutive norms—such as those provided by the Japanese constitution—are hard, but not impossible to change (Müller 2004, p. 418). Constitutive as well as regulative norms may change as a result of a reflective process of "assessing" the value of a norm with regards to their utility or appropriateness, or when certain norms contradict each other. Then actors have to judge these norms in terms of their relative weight, as was the case with the Japanese decision against international law and for solidarity with the United States. What is remarkable is the incremental reversal of long-held principles by Japan, again visible on the height of the Iraq debate. To quote just one very significant example the Cabinet Legislative Bureau (CLB), in late January 2003, announced that pre-emptive strikes against North Korean missile bases by the Japanese military would be legal and that the refueling of American warplanes as they prepared to attack Iraqi targets would not "correspond to our country's use of force or exercising of the right to collective defense," as Osamu Akiyama, cabinet Legislation Bureau director general, put it (The Japan Times, 31 January 2003). Keeping in mind the government's interpretation of Article 9 of the constitution, that all sovereign nations have a right to collective self-defense, but, in Japan the exercise of that right is prohibited by the constitution, this policy turn represents a remarkable shift.

However, as norm change is difficult and slow in most cases and usually goes hand in hand with the manifestation of sedimented discourses, not all norms constituting the traditional Japanese identity were abandoned at the same time. When it came to the war in Iraq, Tokyo again made it clear that no military role could be expected of Japan. However, soon after the initial fighting in Iraq was over, the dispatch of the troops—which would come under the special measures bill for providing support to Iraq's reconstruction implemented in the summer of 2003—was taken into consideration by the Koizumi government. In the political debate over the bill, the Japanese government indicated that troops would not be sent to "combat areas" (Xinhua News Agency, 27 March 2003), and the US had to wait until December for a final decision over the dispatch.

In the following years, the logics of politics took priority over legal considerations. In May and June 2003, three related laws passed both houses of the Japanese Diet:[22] the "Law on Responding to An Armed Attack", the "Law on Revising the Self-Defense Forces Law" and the "Law on Revising the Law Governing Establishment of the Security Council". Especially the first of these laws can be seen as violating Art. 9 of the Japanese constitution. According to the Japanese government's reading of the law, the so-called "armed attack" either refers to an attack on Japanese soil by foreign forces, or an attack on Japanese vessels and aircraft on and over the high seas that is considered by the Japanese side as an "organized and planned attack"; furthermore, the definition includes an attack on SDF troops dispatched by Japan to operate in other countries according to the "Law on Assisting Peace-Keeping Activities of the United Nations" or the "Law on Special Measures for Countering Terrorism", or finally, an attack on a government agency stationed abroad. The law also uses the phase "in anticipation of an armed attack", which leaves open the option of pre-empting a threat by a third country. Most significantly though, the legislation specifies that after determining that the above incidents have occurred, the prime minister may order the SDF to use force. While the Japanese government had in the past never dared to declare the possibility of the SDF using force, this was now an option. Moreover, the geographical area the laws refer to were kept open.

Inside Japan, especially the JCP and the SDP argued that the legislation could result in Japan becoming embroiled in military operations led by the United States. For Defense Agency and SDF officials, the enactment of the war contingency legislation appears to have come too late, though. "I understand that this is just the beginning", Defense Agency chief Shigeru Ishiba said. He maintained there are still many tasks that remain to be completed, including enactment of the law to protect civilians' lives and property and measures to facilitate U.S. forces' operations in Japan to repulse armed attacks.[23] For the domestic and international public however, it has become difficult to grasp the meaning of the high number of security-related laws that have been issued since the middle of the 1990s. While it is debatable if Japan had not already violated its Constitution with the establishment of the SDF in the 1950s, it might have done so after September 11.

[22]"A crucial contingency package", in: *The Japan Times,* 29 April 2003; for a critique "Xinhua Analyzes Japan's Motives in Enacting 'Emergency Legislation'" What Is Japan's Purpose of Enacting the 'Emergency Legislation'?, in: fbis-Datenbank, 16 June 2003.

[23]"Diet enacts legislation for war contingencies", in: *The Japan Times*, 7 June 2003.

6 Conclusion

In this article I have argued that Japan's security policy irreversibly gained a new quality with the articulation of three crises in the two and a half decades after the end of the Cold War. It is the North Korean threat, coupled with the awareness that American interests are directly connected with Japan's, that played a major role in this discourse. Furthermore, it is important to note that crisis and change also entail a temporal dimension, in that the political constitution of society must be conceptualized as an on-going and never ending venture. Dislocation must essentially be conceptualized as a twofold process with an internal and an external dimension: identities remain unfulfilled by the internal structure of society; externally, they are confronted with antagonsitic structures that contaminate and infiltrate the internal structure of society. Dislocation thus embodies the nucleus for social change and it is in this very concept where crisis and change conjoin.

In the Japanese case, it was through the articulation of these three significant crises that far-reaching change in the subsequent decade ensued, culminating in the upgrade of the JDA to the JMOD in 2007. As Kai Schulze (2016) has convincingly shown, this upgrade resulted in threat creation against China becoming the permanent underlying feature of Japan's foreign and security policy until today. A number of changes go hand in hand with these developments, described by Linus Hagström and Ulv Hanssen as a transformation "from 'pacifist' to 'normal'" (Hagström and Hanssen 2015). Change, it can thus be concluded, always rests in the dislocation of the subject and the dislocation of the structure of society. It seems like the Japanese society has never reached the status of a 'normal' country during the Cold War, always grappling with questions of 'who we are' and 'where should we go' (also Hidaka 1995). One should therefore not expect too much from the notion of 'change'. The transformation of hegemonic discourses, which are always connected with powerful sedimented practices, is at most an incremental process, and it is interminable. On the basis of the framework proposed in this article, however, understanding the nexus between crisis and change hopefully becomes more easily conceivable.

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European Perspectives Regarding the Evolving Security Architecture in Southeast Asia

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Southeast Asian security has become a global concern in the 21st century. Territorial disputes among neighbouring countries in the region pose security challenges not only to the region, but also to the world. Unlike Europe where NATO plays an important role in maintaining peace and security, Southeast Asia does not have *the* multilateral organisation which provides security guarantees to the countries in the region. In other words, the territorial disputes between neighbouring states will have to be managed by *a number of* multilateral and bilateral agreements and mechanisms.

The term security architecture, defined by Tow and Tailor, refers to 'an overarching, coherent and comprehensive security structure for a geographically-defined area, which facilitates the resolution of that region's policy concerns and achieves its security objectives' (Tow and Tailor 2010, p. 96). In East Asia, the security architecture is mainly composed of the following arrangements: the U.S.-led alliance system and the ASEAN-led forum and meetings. While China does not take lead to set up any regional security organisation or alliances in East Asia (China co-founded Shanghai Cooperation Organisation for Central Asian security-related concerns), China's recent assertive action in announcing the East China Sea Air Defense Identification Zone (ADIZ) and land reclamation in South China Sea, together with its rising economic influence in the region, is apparently testing the existing security architecture which needs to adapt to the changes and security challenges in the region. Due to the gap in power between China and

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other countries in the region, the United States is expected to play a counterbalancing role against China.

All the territorial disputes between China and its land and sea neighbours, due to historical legacy, have not completely been settled in the seven decades thereafter. In the Cold War Era, the U.S. reached mutual defence treaties with many China's neighbours, with the purpose of containing it. Yet, after the end of the Cold War, China's rapid rise is changing the political landscape of the region in its own favour. In the region, China is, on the one hand, actively promoting economic cooperation and trade with its neighbours; and on the other hand, taking steps to defend its claimed territory. The U.S., as an important player in the region, plays an important role in counterbalancing the influence of China. Between China and the U.S., the former is the guarantor of economic development and the latter is the guarantor of security.

In U.S.-China relations in Asia, the U.S. acts as a maritime power while China used to be a land power. However, in recent decades, China has shown a strong ambition to become a maritime power as well. China continues to increase its military expenditure and, in particular, noticeably strengthens its maritime capabilities. China 'has a long coastline of roughly 14,500 km, where its most developed areas are concentrated. What's more, China's economic growth is highly dependent on overseas markets, energy and resources, making the maritime line of communications along the Indo-Pacific littoral vital to its economic development and national security. Consequently, as China grows, it is only natural that Beijing pays more attention to the littoral along its border and tries to build more capable commercial shipping and a stronger navy to protect its maritime interests' (Wei 2014). Chinese economic development, the growing central government revenues, and annual double-digit defense budget increases since the mid-1990s are expected to 'yield China military capabilities or great power ambitions that fundamentally affect the regional security order and vital U.S. interests' (Ross 2009, p. 46).

Throughout the last decades, European policymakers, think tankers and scholars were not too keen on examing East Asian security and its evolving architecture. That has changed. Europeans are getting increasingly interested in the region, originally mostly out of economic considerations, but now paying increasing attention to political stability and security of the region. By signing the ASEAN Treaty of Amity and Cooperation in 2012 and becoming a member of the ASEAN Regional Forum, the EU is developing itself into a 'committed Asian partner' (Van Rompuy and Barroso 2012).

In this paper, the author studies how security architecture evolves in Southeast Asia in recent years against the background of the territorial disputes between

China and its neighbours. In the first part, the paper will look at the role of China and its impact on regional security. In the second part, the paper will examine the counterbalancing role of the United States and the evolving regional security architecture. In the third part, the paper will analyse the European perspectives.

1 China Getting More Assertive

China's relations with Southeast Asia has been evolving rapidly since the 1990s. China followed a policy of 'set aside dispute and joint development' in dealing with territorial disputes with its neighbours introduced by Deng Xiaoping, yet occupied Mischief Reef in the Spratly Islands in 1995 in order to compete with the Philippines and Vietnam which also built structures on islands/reefs in the disputed area. Before 1997, China was perceived as a threat to its Southeast Asian neighbours, due to its conflicting territorial claims over the South China Sea. A residue of mistrust in the region to China existed because of its past support of communist insurgencies, its limited engagement with these countries, its suspicion of the region's multilateral forums, and its blunt public diplomacy (Kurlantzick 2006, p. 271). In the Asian financial crisis of 1997/1998, the Chinese economy has not been seriously affected. In contrast to its neighbours which were hit hard by the crisis, the Chinese economy developed rapidly and Chinese leaders became more confident. Beijing demonstrated willingness to foster 'win-win' cooperation with Southeast Asian countries. Thanks to a series of policies taken in name of 'charm offensive', China's image noticeably improved.

First, China resisted pressure to devalue its currency during the crisis, which convinced its neighbouring countries that China is a responsible actor. Second, Beijing reversed its previous disdain for multilateral organizations—it reached a free trade agreement with ASEAN; issued a joint declaration on a code of conduct in the South China Sea in 2002, which is the first multilateral declaration on South China Sea signed by China; cooperated with ASEAN to combat the SARS outbreak in early 2003; and signed the Treaty of Amity and Cooperation in Southeast Asia as the first non-ASEAN country (Acharya 2006). Third, side by side with the ASEAN-China Free Trade Agreement, China also negotiated closer bilateral trade ties and economic partnerships with individual Southeast Asian states. Furthermore, China adjusted its aid policy to better its foreign policy goals, including promoting Chinese companies abroad, cultivating important political actors, and bolstering China's benign regional image (Kurlantzick 2006, p. 274).

2012 is regarded as a milestone of China's maritime policy evolution due to several events in that year: the standoff between China and the Philippines in April over Scarborough Shoal, the establishment of Sansha city by Chinese government in July, the standoff between China and Japan over the Senkaku Islands in September, and the Communist Party of China (CPC) National Congress in November (Teng 2016, p. 51). In the standoff between China and the Philippines, Chinese law-enforcement ships, for the first time, inserted themselves between the Philippines frigate and the Chinese fishing boats. Since then, Chinese law-enforcement ships have taken full responsibility for protecting Chinese fishing activities and Scarborough Shoal. Three months later, China announced the establishment of Sansha city, located on Woody Island in the Paracels, and granting it with administrative power over all the islands and reefs China claims in the South China Sea. Concurrent with its proactive action in South China Sea, China unilaterally declared to establish the East China Sea Air Defense Identification Zone in November 2013. Meanwhile, China's land reclamation efforts in the South China Sea helped it reclaim 'more than 2,900 acres (1,170 hectares) of land as of June 2015' (Alexander et al. 2015).

China and Japan have territorial disputes over Diaoyu Islands/Senkaku Islands since the United States gave Japan the rights of administration over the islands in the 1970s. After the Japanese government purchased the islands from a private citizen in September 2012, the Sino-Japanese dispute escalated. It was for the first time that the Chinese government sent its surveillance ships to within 12 nautical miles of the Diaoyu Islands/Senkaku Islands. These two events were in no way accidental: following China's rise, Beijing possesses more resources to protect its own interests. In the territorial disputes in the South China Sea, Beijing realised that it is necessary to take more action because 42 islets have been occupied by its neighbours (Global Times 19 November 2015).

In November 2012, at the Party Congress, Hu Jintao stressed that '[w]e should enhance our capacity for exploiting marine resources, develop the marine economy, protect the marine ecological environment, resolutely safeguard China's maritime rights and interests, and build China into a maritime power' (Hu 2012).

Xi Jinping, who came to power in late 2012, attaches great importance to strengthening national security, in particular, maritime security. Compared with previous Chinese leaders, Xi 'has sought to demonstrate more visibly China's resolve to carve out its own sphere of influence regionally and globally' (Gill et al. 2016, p. 21). Under his leadership, the Third Plenum of the 18th Party Congress in November 2013 decided to set up the National Security Commission (NSC), which was inaugurated on 15 April 2014, with Xi as the Chairman of this newly created institution. The establishment of the NSC not only symbolizes 'a

major regrouping of Beijing's power structure' and makes it the 'highest authority' of security issues, but also brings about a 'qualitative change in state governance' with 'pro-active, assertive and effective employment of power in domestic politics and diplomacy' (You 2016, p. 183).

Furthermore, the creation of the NSC can be regarded as the starting point of military reform as well as an important step forward in China's overall security reform strategy. In August 2014, at a special meeting of China's politburo, Xi emphasized the need to 'make efforts to build a modern military power system with Chinese characteristics that can win information-based wars and effectively fulfill its mission' (Mu 2015). The reform is said to 'include establishing a joint operational command structure by 2020 and re-jigging existing military regions, as well as cutting troop numbers by 300,000' (Martina 2016). To deal with its territorial disputes in the East and South China Seas, the military reform not only gives China's navy and air forces equal status as its army, but also enhances the army-navy-air force joint operations capability. 'Just as the U.S. Pacific Command, based in Hawaii, directs joint operations by the Army, Navy, Air Force and Marine Corps in the western Pacific and Indian Ocean, the Chinese military's Guangzhou (south) battle zone command is expected to take control of all troops from all branches in the South China Sea' (Kosaka 2016).

In April 2014, the Chinese state-owned CNOOC deployed the Haiyang Shiyou 981 deep-water rig to a potential drilling site in the Paracel Islands, about 120 nautical miles off Vietnam's coast. The ensuing dispute between Hanoi and Beijing led to the worst deterioration in bilateral relations since 1979. China's decision to put the rig in disputed waters was regarded as 'provocative' (Ruwitch and Linh 2014). Although the oil rig was moved away in July, one month ahead of schedule, it returned to the area in June 2015, but to the West of the Paracels, close to China's Hainan Island, and said to continue drilling till October. In April 2016, it was back once again. While the Chinese Foreign Ministry declared it as 'normal activity of business exploration' and the oil rig was 'in waters under undisputed jurisdiction of China' (Ministry of Foreign Affairs of the PRC 2016), China's behaviour in the Paracels in recent years is understood as 'escalation of Chinese assertiveness' (Hiep 2014).

At the Fourth Summit of the Conference on Interaction and Confidence Building Measures in Asia in May 2014, Xi Jinping delivered a keynote speech on the 'New Asian Security Concept for New Progress in Security Cooperation', which among other points, emphasized that 'it is for the people of Asia to run the affairs of Asia, solve the problems of Asia and uphold the security of Asia' (Xi 2014). He also promised 'to put such a security concept into practice' and that 'China will take solid steps to strengthen security dialogue and cooperation with other

parties, and jointly explore the formulation of a code of conduct for regional security and an Asian security partnership program'(Xi 2014). This speech sent the message that while China has crucial interests in Asia and would like to work with its neighbours to realize security in the region, it also does not want other external players to interfere in Asian affairs, in particular, the United States. There is no doubt that 'China wants to maintain good neighborly relations but it cannot be at the expense of China's national interests' (Hu 2016, p. 166).

In January 2015, the Politburo of the Communist Party of China (CPC) adopted the guideline of national security strategy at a meeting on security, presided by Xi Jinping, which emphasized the three main focal points for China, including great power relations, the security environment in China's immediate neighbourhood, cooperation among developing countries and the pledge to 'proactively participate in regional and global governance' (Quoted in Tiezzi 2015). Four months later, China issued its first white paper on military strategy which stated that 'some offshore neighbors take provocative actions and reinforce their military presence on China's reefs and islands that they have illegally occupied' and '[i]t is thus a long-standing task for China to safeguard its maritime rights and interests'. Chinese navy will 'gradually shift its focus from "offshore waters defense" to a combination of "offshore waters defense" and "open seas protection"' (Chinese Government 2015). In July 2015, China enacted the National Security Law, which set April 15 as National Security Awareness Day. In February 2017, Xi Jinping presided over a seminar on national security in Beijing, maintaining that 'security in politics, the economy, sovereignty, society and the internet are priorities', stressing that no matter how the international situation changes, China should continue to guide the international community toward a new order that is more just and reasonable (Zhao 2017).

China's growing assertiveness in the South China Sea can be interpreted as 'merely a return to a familiar area which has been perceived as its natural sphere of interest and influence' (Kim 1998, p. 371). While China is getting more assertive on its historic rights over the islands and other maritime features in the South China Sea, in January 2013 the Philippines gave up bilateral negotiations and and submitted a motion for arbitration in a UN tribunal regarding the interpretation and application of the 1982 Convention on the Law of the Sea (UNCLOS).

China rejected the arbitral procedure partially because of its 2006 Declaration which excludes all such disputes from the compulsory dispute settlement procedure of the Convention (Pemmaraju 2016, p. 265). After the award of the South China Sea Arbitration was issued in favour of the Philippines, Chinese government carefully dealt with other ASEAN countries to alleviate their concerns by reaching the guidelines with ASEAN for a hotline to manage maritime

emergencies and to apply the Code for Unplanned Encounters at Sea (CUES) to the South China Sea and expressing willingness to conclude a framework for a code of conduct (COC) with ASEAN regarding the South China Sea by mid-2017 (Poling 2017).

As mentioned earlier, China's regional policy has two faces: it tends to rely more on military capacity to deal with territorial disputes with the neighbours, yet, in the meantime, it attaches great importance to cultivate close neighbourhood economic and trade relations (Beukel 2010, p. 5). In late 2013, 'the Silk Road Economic Belt' and 'the 21st-century Maritime Silk Road' (which together have become the Belt & Road Initiative) came in shape based on two speeches Xi Jinping made that year, one was 'Promote People-to-People Friendship and Create a Better Future', made at Kazakhstan's Nazarbayev University on 7 September 2013; and the other was made at the Indonesian Parliament on 2 October 2013. The Belt & Road Initiative serves as a grand investment scheme, filling the gaps in regional infrastructure investment 'by the end of May 2016, the two-way investment had exceeded US$160 billion, with ASEAN remaining a major destination for Chinese companies' (Wong 2017). In the meantime, bilateral trade 'has also increased massively, from US$7.96 billion in 1991 to US$472.16 billion in 2015. ASEAN and China are seeking to double their trade value, setting a target of US$1 trillion by the end of 2020' (Wong 2017). Furthermore, 'more than 300 Chinese-funded enterprises have been set up in 26 economic cooperation zones in eight ASEAN countries, investing a total of US$1.77 billion by October 2016' (Wong 2017).

2 Rebalancing of the U.S. in Asia and the Evolving Regional Security Structure

Before the Obama administration initiated the Pivot to Asia policy, the United States maintained nearly the same level of engagement and presence in the region since the end of the Cold War. It was preoccupied with the Middle East for quite some time and throughout the Bush administration, it opted for redeploying forces in the region elsewhere. Due to its stagnant Asia policy, countries in the region were under China's influence, the allies and partners of the U.S. started to question its overall credibility toward Asia. In contrast to China's dynamism in its regional policy, the U.S. didn't pay sufficient attention to the changes, mainly focused on its traditional concerns relied primarily on its bilateral alliances with the Republic of Korea (ROK), Japan, and Australia, but not on multilateral cooperation mechanisms and institutions (Kang 2012).

Compared with China's readiness to engage itself in Southeast Asian countries in the financial crisis of 1997–1998, the U.S. 'was perceived to be disconnected and aloof' which 'left a particularly searing legacy on many Asian countries' (Feigenbaum 2015). As an attempt to balance against China's rise, to strengthen the U.S.-led alliance system, to join and participate in regional multilateral forums to increase the U.S. political presence, the Obama administration adopted the rebalancing strategy in Asia in 2011 (Wei 2014). The U.S. plans to deploy 60 percent of U.S. naval capabilities to the Pacific by 2020 (Sutter et al. 2013, p. 12).

When China declared the establishment of ADIZ, the U.S. responded by taking the defence of the islands under the U.S.-Japan security alliance—this was explicitly announced by Obama at his visit to 2014. In October 2015, the U.S. sent navy ships to pass through the new 'islands' reclaimed by China to demonstrate that U.S. forces would 'sail, fly and operate anywhere that international law permits' (Quoted in Roberts and Philips 2015).

The timing for the U.S. to adjust its Asian policy was very interesting—the countries in the region were under great pressure of a rising and assertive China—the U.S. offered an alternative for those which were not able to counterbalance against China but yet didn't want to succumb to China's pressure. In other words, when the U.S. became more robust in dealing with China in the South China Sea, convergence of interests occurred between a number of countries in the region, in particular, the Philippines and Vietnam, and the U.S. (Southgate and Khoo 2016, p. 228).

Washington's stance that 'disputes should be resolved according to international law and its repeated affirmations of the bilateral alliance are read in Beijing as having "emboldened" the Philippines to militarise and internationalise the conflict' (Gill et al. 2016, p. 8). In the past five years, the Philippines 'overtly leveraged the U.S. alliance to resist Chinese maritime assertiveness' (Gill et al. 2016, p. 8). The Philippines-U.S. alignment focused on building capabilities to countering Chinese incursions and defending Filipino claims in the South China Sea by launching maritime joint exercises (Gill et al. 2016, p. 9). In August 2013, the Philippines started negotiations on the establishment of a rotational air and naval agreement aimed at increasing U.S. military presence in the South China Sea. At the end of 2013, Secretary of State Kerry announced U.S. increase of military aid to the Philippines and Vietnam at his visit to these two countries. In April 2014, the U.S. signed with the Philippines a 10-year Enhanced Defense Cooperation Agreement (EDCA), which was approved by the Philippines Supreme Court in January 2016. On the sixth annual Bilateral Security Dialogue (BSD) in May 2016, they agreed on the first five locations to begin implementing EDCA (Parameswaran 2015).

The security relationship between Hanoi and Washington has notably improved in recent years—the first bilateral military joint exercise was conducted in 2010 and in July 2013 a a comprehensive strategic partnership was signed at the occasion of the visit of Vietnam's President to the White House. In the oil rig crisis in May 2014 between China and Vietnam, the latter joined the U.S.-led Proliferation Security Initiative (PSI) and then in late 2014, the U.S. eased existing arms sanctions against Vietnam in order to sell weapons to the country. In June 2015, the two sides reached a Joint Vision Statement, pledging respect for each other's political system. One month later, the Vietnamese Communist Party General Secretary paid a historic state visit to Washington (Gill et al. 2016, p. 11–12).

Yet, in the meantime, both the Philippines and Vietnam pursue hedging strategies—'intensifying elements of their deterrence policies against Chinese aggression', but keeping Beijing engaged in order to grasp 'opportunities to benefit economically from China's growth' (Gill et al. 2016, p. 11–12). When President Duterte came to power in the Philippines, he talked about his country pivoting toward China but in fact intended to play China and the U.S. off against one another. During his visit to Beijing in October 2016, the Philippine President successfully initiated worthwhile business and financial deals by claiming to the Chinese leaders that his country would 'separate' from its relationship with the U.S. and would allow the South China Sea arbitration case to 'take the back seat' in diplomatic relations between the two countries. After returning to Manila, he said that it was not his real intention to separate from the U.S. because it was 'in the best interest of my countrymen to maintain that relationship' (Kuo 2016). In December 2016, the Philippines filed a protest over Beijing's reported military build-up on the islands and reefs in the contested Spratly Islands in the South China Sea. The protest came one month after Duterte promised to respect defense treaties with the U.S. (Kipgen 2017).

While seeking U.S. pressure on China over South China Sea disputes, Vietnam held five confidential meetings with China to discuss maritime disputes and started a bilateral Strategic Defence and Security Dialogue. The 2014 oil rig crisis was under control due to bilateral conflict management and resolution talks between Hanoi and Beijing. Unlike the Philippines, Vietnam 'is unwilling to trade its autonomy for risky permanent alignment with an offshore power'. Like the Philippines, Vietnam intends to maximise national interest by 'mitigating obvious alignment one way or the other' (Gill et al. 2016, p. 13).

Just like the Philippines and Vietnam, countries in the region are seeking 'even-handed "hedging" vis-à-vis both the U.S. and China' with the purpose of maximising 'their own strategic autonomy during an uncertain period of intensified great power competition' (Gillc et al. 2016, p. 15). Indonesia, Malaysia,

Singapore and Brunei 'are the most obvious hedgers' (Gill et al. 2016, p. 7). They all 'deliberately facilitate' U.S. forward deployment in the region, but in the meantime, they also 'engage China significantly, including in military-to-military exchanges' (Gill et al. 2016, p. 7).

Multilateral regional security architecture, represented by ASEAN-led institutions, is in a difficult position in Chinese-American rivalry. It is a challenge for ASEAN countries to form a regional consensus while maintaining their national strategic interests.

As a matter of fact, a number of multilateral security institutions exist in the region, but due to the fact that they are impressive in decision making power—in Dr. Reiterer's words, they are 'without a hierarchical structure of agenda-setting (clearance) authority' (Reiterer 2016)—this group of institutions has been described as an 'alphabet soup' of regionalism (McIntosh 2013). The multiple, overlapping security mechanisms mainly include the ASEAN Regional Forum, the East Asia Summit (EAS), the ASEAN Defence Ministers Meeting Plus (ADMM+), and the Shangri-La Dialogue.

ASEAN is one of the first regional institutions worldwide, facilitating collective interests by promoting intergovernmental cooperation. While security issues are addressed, ASEAN itself cannot be regarded as a full-fledged security institution because of its intrinsic weakness. ASEAN Regional Forum (ARF) was founded in 1994. As track one security forum, it intends to facilitate the utilization of Confidence Building Mechanism (CBM), to promote ASEAN norms and to foster progress in multilateral security cooperation in the region. However, it is often labelled as a talk shop by merely providing opportunities for ministers and leaders from the region to meet and exchange views on regional security issues. The ASEAN way, which is characterised by non-intervention, non-binding and consensus-based decision-making approaches somehow restrains the ARF from exerting greater influence on security situation of the region. The ASEAN aphorism of 'regional solutions for regional problems' is more 'a slogan serving a particular interest than an operational policy accepted and applied on a regional basis in any common interest' (Leifer 2000, p. 108).

Within the ASEAN-led institutions, the ASEAN member states had problems pursuing a cooperative security strategy. In July 2012, the 45th ASEAN Ministerial Meeting failed to release a Joint Communiqué, and this occurred for the first time in its history. While both the Philippines and Vietnam requested that the joint statement include references to their maritime disputes with China, the ASEAN chair Cambodia, which has close relationship with China, blocked the requests and argued that these were bilateral issues and should therefore not be included. At the East Asia Summit held in Phnom Penh in November 2012,

Cambodia, again as the chair, unilaterally announced that ASEAN had agreed with China that 'they would not internationalize the South China Sea', and focus instead on 'the existing ASEAN-China mechanisms' (Bland 2012). After the U.S. strengthened its influence in the region, at the ASEAN Foreign Ministers' meeting in August 2014, the joint communiqué stated that the countries were 'seriously concerned over recent developments which had increased tensions in the South China Sea' (ASEAN 2014).

Yet, ASEAN's multilateral diplomacy failed to make substantive headway on the dispute. 2016 was a difficult year for China on the South China Sea issue, but it seemed that China succeeded in dividing ASEAN, and utilizing the existing institutional incoherence for advancing its position in the South China Sea. In June 2016, before the arbitration award between the Philippines and China was issued by the tribunal, and immediately after the ASEAN-China meeting, ASEAN issued a statement, repeating that 'we expressed our serious concerns over recent and ongoing developments, which have eroded trust and confidence, increased tensions and which may have the potential to undermine peace, security and stability in the South China Sea' (Quoted in Bodeen 2016), but somehow swiftly retracted it. In July at the first ASEAN Foreign Ministers' meeting after the tribunal award was published, the joint communiqué didn't even mention the verdict and didn't single out China over the South China Sea (Blake et al. 2016).

3 European Perspectives

For the EU, Southeast Asia is an important region, both from economy and security point of view. The EU is getting more and more concerned in recent years about the regional security dynamics in East Asia, in particular, the territorial disputes between the riparian countries of the Southchina Sea, but carefully following a neutral policy, based on the rule of law and specifically, UNCLOS. The EU, on the one hand, supports ASEAN-led institutional efforts to maintaining peace in the region, on the other hand, tends to strengthen cooperation with the U.S. in its policy toward Southeast Asia (although it is unclear now how this will evolve in light of the the new American administration and its vague policy outlook). By doing so, the EU intends to exert a constructive influence on the further evolution of the Asian security architecture.

For the moment, the U.S.-led alliance and cooperation system is still the security backbone of East Asia, but China is increasingly using its own forums to diminish the capacity of the U.S. to help manage and resolve conflicts in the region (Reiterer 2016). Although overshadowed by its domestic problems, the EU

intends to contribute to the security of East Asia because 'on multilateral cooperation on transnational matters, managing a comprehensive regional integration process security order is one of the core competences of the European Union' (Reiterer 2016).

East Asia is a dynamic region with the fastest and largest growing economies in the world and has thus become a new engine of global economic growth. East Asian GDP increased by 5.4 percent per year and Southeast Asian by 5.9 percent in the past decade. Consequently, it has noticeably upgraded its regional share of world GDP compared to other regions. Asian economies are expected to further grow, increasing its share of world GDP to 29.4 percent by 29.4 percent in 2030 (up from 22.6 percent in 2006). The shares of Western Europe and the U.S. are expected to decrease to 25.1 percent in the same period (European Parliament 2016, p. 12). The European Union is one of the most important economic partners of the region. China and ASEAN are respectively the second and the third largest trading partners of the EU. The EU has established a strategic partnership with China and intends to developing one with ASEAN. The EU started to negotiate Free Trade Agreements (FTAs) with ASEAN Member States in 2012. In the same year, the EU joined the ASEAN's Treaty of Amity and Cooperation (TAC). In 2015, the EU increased engagement with ASEAN, and appointed an EU Ambassador to ASEAN. The EU and ASEAN are 'natural partners'—they share the same goals for 'peace, stability and prosperity' and are committed to 'multilateral approach' (European External Action Service 2013).

In the past decade, the EU published several important documents on the region, including the 'Guidelines on the EU's Foreign and Security Policy' in East Asia in 2007, the updated Guidelines in 2012, and a Joint Communication to the European Parliament and the Council on 'The EU and ASEAN: a partnership with a strategic purpose' in 2015. In the most recently published European global security strategy in 2016, the EU stresses the connection between European prosperity and Asian security and points out that 'peace and stability in Asia are a prerequisite for our prosperity. We will deepen economic diplomacy and scale up our security role in Asia' (European External Action Service 2016, p. 37).

The regional institutions and arrangements, as 'panoply of mechanisms with overlapping memberships and agendas contributing through a dense schedule of meetings to socialisation and confidence-building', often fall short of 'concrete actions to prevent, constrain, or solve security threats' (Reiterer 2016). Nevertheless, as they play a role in reducing conflicts in the region, and they are part of diplomatic tool box in Asia, the EU is interested in strengthening cooperation with these multilateral institutions and cooperation frameworks.

The EU is an active member of ASEAN-led mechanism (ARF) and the Shangri-La Dialogue. In the meantime, the EU has active bilateral exchanges and cooperation with ASEAN and all the members in the region. The EU and its member states engage with the region through these bilateral and multilateral mechanism, in particular, the EU stresses that 'We will help build maritime capacities and support an ASEAN-led regional security architecture' (European External Action Service 2016, p. 38). At the Shangri-La Dialogue 2015 Fifth Plenary Session, Federica Mogherini, High Representative of the European Union for Foreign Affairs and Security Policy and Vice-President of the European Commission, said in her speech that 'We believe regionalism and multilateralism are the framework for cooperative international relations, and cooperation calls for everyone to play by the same rules' and 'We support the ASEAN-China negotiations for a Code of Conduct' (Mogherini 2015).

In 2016, at the height of the South China Sea dispute, the European Union published several statements on the South China Sea issue. For example, in March, the declaration on behalf of the High Representative said that while the EU does not take a position in the disputes, it is 'concerned about the deployment of missiles on islands in the South China Sea. The temporary or permanent deployment of military forces or equipment on disputed maritime features which affects regional security and may threaten freedom of navigation and overflight is a major concern.' The EU is 'committed to maintaining a legal order for the seas and oceans based upon the principles of international law, as reflected notably in the United Nations Convention on the Law of the Sea (UNCLOS). This includes the maintenance of maritime safety, security, and cooperation, freedom of navigation and overflight' (Council of the European Union 2016a). In July, after the arbitration award was issued, the EU published another declaration, which basically repeated what was mentioned in the document in March, but avoided to talk about the deployment of military forces/equipment in the disputed area (Council of the European Union 2016b). The watered-down document was less tough than the previous one, due to China's diplomatic effort to divide and rule among the EU member states.

According to Mathieu Duchâtel, Senior Researcher and Head China representative of Stockholm International Peace Research Institute (SIPRI), the EU could do more as a neutral third party by following 'an approach of principled neutrality in the South China Sea, which has three main features: (a) no position on sovereignty and no sides taken; (b) advocacy of crisis management tools; and (c) an emphasis on international law, especially the United Nations Convention of the Law of the Sea (UNCLOS)' (Kuo and Tang 2015).

The EU is getting seriously concerned about the disputes in the South China Sea, and expressed on many occasions its support of a regional maritime order based on UNCLOS. Just as the then EU High Representative Catherine Ashton said at the Shangri-La Dialogue in Singapore in 2013, 'We believe we have a dual contribution to make to security in the region and beyond: first by offering to be a true long-term partner on security issues and second by being an effective and innovative one, through our ability to implement a comprehensive approach which is particularly suited to the new challenges we all face' (Cashton 2013). Ashton's successor, Federica Mogherini, said on the maritime disputes at the Shangri-La Dialogue in 2015, 'We have a direct interest in the respect for international law. We believe regionalism and multilateralism are the framework for cooperative international relations. And cooperation calls for everyone to play by the same rules' and 'We need to maintain a maritime order based on international law, including the UN Convention on the Law of the Sea' (Mogherini 2015). The EU's global security strategy published in 2016 said that 'In East and Southeast Asia, we will uphold freedom of navigation, stand firm on the respect for international law, including the Law of the Sea and its arbitration procedures, and encourage the peaceful settlement of maritime disputes. (European External Action Service 2016, p. 38). By pushing forward a regional maritime order based on UNCLOS, the EU helps maintain international law and confidence building in the region.

In the region, 'the competition between the United States—the guarantor of stability, and China—the challenger of the regional order' (Stanzel 2016, p. 1) exerts direct impact on regional security evolution. By far, the EU has not played a role in proportion to the magnitude of its interests in the region. In the view of former German Ambassador to Japan and China, the EU's economic 'hard power' is rarely applied and European military power has not been significant in the region either (Stanzel 2016, p. 2). In July 2012, then EU High Representative Catherine Ashton and U.S. Secretary of State Hillary Clinton signed a Joint EU-U.S. Statement on the Asia-Pacific region, one month after the EU published the updated guidelines on the EU's foreign and security policy, in which document the EU aligned its position with that of the United States. The statement is said to demonstrate with 'the strongest practical implications, but it has yet to be followed up with action' (Stanzel 2016, p. 2). It is unlikely for the EU to intervene through military means or economic sanctions in the region, but other political tools are available. Although the EU is not a game changer, the EU should strive to 'move from good intention to action' (Weissmann 2013, p. 1). In view of Dr Reiterer, Ambassador of the EU to South Korea, the EU needs a new narrative to make a more effective and credible contribution to Asia security, which means

concentrating on a few areas where experience, best practices and working in a transnational environment make the difference' (Reiterer 2016).

In the view of Nicolai Casarini, the best way for the EU to uphold the rules-based international order in the region would be to adopt a two-fold approach: to continue engagement with Beijing, through dialogue and political cooperation; and to allow individual member states 'to participate in U.S.-led initiatives, such as freedom of navigation operations, to reinforce the message—without, however, giving the impression that the Union as a whole is taking side (Kuo 2016).

4 Conclusion

The security situation in the region is changing—all the Southeast Asian countries have to face the opportunities and challenges offered by China's rise. The rebalance of the U.S. to Asia, to a certain degree, helps alleviate security concerns of the states in the region, but due to China's heavy weight in Asian economic and political affairs, these states tend to hedge between the two big powers. The competition between China and the U.S., nevertheless, allows ASEAN to take the lead in constructing multiple regional security architecture. Although these mechanisms are not problem-solving, at least, they provide multiple platforms for exchanges and communication which helped mollify tensions and build confidence among the countries involved in the disputes.

The EU has a unique advantage in its cooperation with East Asia: it is 'a non-threatening partner in the region', enjoying 'a comparative advantage over other major powers such as the U.S. and China' (Weissmann 2013, p. 2). By playing as a neutral actor, the EU is in a better position to promote the rule of law in international affairs. Furthermore, the EU needs to make a comprehensive evaluation on the changing Asian security situation and the evolving security architecture as well as its own capacity and capabilities in facilitating Asian economic and security build-up. While there is no doubt that both the EU and Asia need each other, how the EU plays its role in Asia will depend on domestic European economic and political policies, which will have a direct impact on European economic and political development.

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