

Visit of USI Delegation to Tokyo - A Report

Brigadier Arun Sahgal (Retd)



The Background

In pursuance of the annual trilateral dialogue between United Service Institution of India, Okazaki Institute of Japan and the Institute of Taiwan Defence Strategic Studies, the third in the series of dialogues on Regional Security was hosted in Tokyo on 26 and 27 January 2007 by the Okazaki Institute of Japan.

The trilateral dialogue between the Institutions from the three countries was initiated in 2005 to discuss issues of common security

Brigadier Arun Sahgal is Deputy Director (Research), Centre for Strategic Studies and Simulation at the USI.

Journal of the United Service Institution of India, Vol. CXXXVII, No. 568, April-June 2007.

concerns to ensure better understanding on shared perspectives. The first trilateral meet was held at Taipei in July 2005, where the three Institutes decided to discuss *issues of regional security* on a common platform, on a regular basis. The second dialogue took place in Delhi on 16 and 17 March 2006, with the same objective.

The Delegations

The Indian delegation was led by Lieutenant General Satish Nambiar, PVSM, AVSM, VrC (Retd), Director USI; delegation members included Vice Admiral Inderjit Bedi, PVSM, AVSM (Retd); Air Vice Marshal Kapil Kak, AVSM, VSM (Retd), Joint Director, Centre for Air Power Studies; and Brigadier Arun Sahgal (Retd), Deputy Director (Research), USI-Centre for Strategic Studies and Simulation. The delegation from the Okazaki Institute, Japan was led by Vice Admiral Hideaki Kaneda (Retd), Director; included Lieutenant General Masahiro Kunimi (Retd); Rear Admiral Sumihiko Kawamura, Vice Chairman of the Okazaki Institute; Dr Hiroyasu Akutsu and Mr Akihisa Nagashima, former Defense Minister in the Shadow Cabinet of JDP. The delegation from the Institute for Taiwan Defence and Strategic Studies (ITDSS) and Taiwan Strategy Research Association (TSRA) was led by Dr Parris Chang, Representative, ITDSS; and comprised Dr Michael M Tsai, former Deputy Defence Minister; Dr Ming-Shang Wong, Representative, TSRA and Chief Secretariat of the dialogue; Mr Jiann Yan; Mr Lee Hsi-Min; Major General (Ms) Huei-Jane Tschai. Also present was a special representative from the USA, Rear Admiral Robert Chaplin (Retd), former Commander of Naval Forces in Japan.

The Deliberations

The main focus of this dialogue was to exchange views and ideas on three important topics – "Assessing the Rise of China and its Strategic Implications", "Security of Sea Lanes of Communication (SLOCs) from the Indian Ocean to Western Pacific" and the "Impact of Changing Global Security Dynamics on Indian and Pacific Regional Security". The leaders of the three delegations highlighted the importance of the deliberations and exchange of ideas in a free and frank manner.

The leaders of the Japanese and Taiwanese delegations alluded to changing security environment marked by the rise of

China and its growing political and economic salience. Their concern was that as the Chinese economy grew, it would develop voracious appetite for raw materials and energy resources. They also pointed out to China's growing sphere of influence which included the increasing Chinese-Russian rapprochement.

Concern was expressed about China's military modernisation and its emergence as a strong economic power with growing leverages in the international system. In the context of growing Chinese strategic foot prints, fears were expressed with regard to domestic Chinese politics, orientation of next generation Chinese leadership and competing demands of socialism with market economy particularly in the context of increasing socio-economic divide between coastal areas and the hinterland.

The issue of maritime security was highlighted in the context of growing energy demand in Asia, with particular reference to China, India, Japan and South Korea. In this context, Chinese Navy's inroads into Indian Ocean was voiced as an aspect of concern. The Japanese were particularly concerned about competing interests and talked about building regional consensus on the use of oceans.

Rise of China and it's Strategic Implications

On the issue of China's rise and the manner in which China was leveraging its economic and political power and its implications, there was general consensus that a rising China posed a serious challenge. This was premised on the fact that China was projecting itself as a traditional power, that is a major player in Asia and the world. The manner in which a strong and resurgent China leveraged its power potential in the region was a matter of speculation in almost all the presentations on the subject. The issue was accorded importance in the backdrop of declining American power in Asia and the fear that strategic space was being usurped by China through its soft power approach based on economics, trade and political influence. This was highlighted by detailed trend analysis on how China was incrementally using its growing power potential for regional ascendancy through aggressive moves in energy sector, growing military power and a desire for creating "greater neighbouring region" (euphemism for extended strategic neighbourhood that included West Asia among others).

Increasing Chinese economic orbit wherein China has emerged as number one trading partner of almost all the states in Asia; growing foreign exchange reserves and consistently high performing economy were seen as part of increasing Chinese leverages and unipolar propensities. Another important trend highlighted was the recent Chinese stress on multilateralism and use of regional instruments, be they security oriented like the SCO, economic like the East Asia Summit or political like the Six Party talks. Chinese growing inroads into South Asia and its increasing focus on the Indian Ocean in terms of developing maritime oriented partnerships with Myanmar, Bangladesh, Pakistan and littorals like Maldives were also focus of discussion. Attempts to create strategic land bridges to address the Malacca Straits dilemma as also to break the isolation of China's western areas notably Xingjian and Tibetan Autonomous Region (TAR) were seen as matters of concern. Interestingly, while there was much speculation and concern about the rise of China, there was no consensus whether it constituted an opportunity or a challenge. Dominant perception among the Taiwanese and Japanese scholars was that a unipolar China posed a challenge and needed to be met through so-called coalitions of democracies and a nuanced military build up within the overall American security umbrella.

Chinese attempts at development of naval power, militarisation of space and its voracious appetite for strategic raw materials were sited as particularly destabilising. Another issue of focus was that an unbridled China could become a major force beyond 2020, within the perspective of declining American power. Consequently, unless adequate containment strategies were developed, Asia could see the emergence of a more assertive China in a unipolar Asia. This had to be dealt through dissuasive military power and garnering coalition of the willing, based on collusion of democracies, comprising Japan, Australia, Taiwan with the possibility of including India, Vietnam and South Korea.

Building inclusive multilateral relationships and working together with all regional players towards common agenda was a priority from the Indian perspective. In contrast to the views of Japanese and Taiwanese, the Indian position was consistent with the stated stand that while India remained wary of Chinese increasing influence, it was important to engage China and develop mutual

dependencies to prevent hegemonic propensities. It was highlighted in clear terms that India was not in the game of joining any coalitions or anti China strategies.

India's focus remained on growing trade and economic linkages to enhance political and strategic influence of India – a model similar to that of China's peaceful development. India's strategic thrust is underscored by sustained economic growth and trade relations to propel India to a similar position; basic premise being that an economically strong India would be a strategically strong India. It was further stressed that the main question was whether these developments mean peace and stability, or bring about a new set of dependencies. Question is not so much about containment or confrontation but of the ability to make balanced choices based on national interests. An economically, politically and militarily strong India, it was highlighted, could make the difference. To this end, India believed in engagement through employing soft power-rather than confrontation.

Indian delegates also highlighted that China would be operating sub optimally to its potential; biding time for economic, social and military consolidation. This was likely to change in the medium term ie beyond 2015, by when China could emerge as the most dominant Asian power with greater assertive connotations in pursuance of its national interests. This period will be marked by the glow of confidence, post successful conduct of Olympic Games and the Shanghai Expo. By 2025, it was opined, that China would be well on its way to becoming an important player on the world stage, having developed its comprehensive national power including a modernised PLA. The factors that could derail China from its growth trajectory included dissensions leading to disunity, within the next generation leadership, on how to manage rising China, liberal socialism allowing market forces to operate freely or command economy with structured freedom, to enhance trickle down effect and address the growing youth bulge. Second issue of concern was the growing gap between the rich and the poor, coastal areas and hinterland, rising corruption, and land reforms, which could lead to uprising among the masses. The third was the impact of environmental degradation, global warming, ecological challenges as also, shortages of raw materials and resources, particularly in the energy sector.

The Japanese delegates speculated that China was likely to exhibit bare knuckled resource diplomacy in order to maintain momentum of economic reforms. Secondly, Chinese military modernisation was likely to continue apace with PLA incrementally becoming a modernised net centric force with increasing effect based capability. Japanese were concerned about the stability of the Chinese economy. They looked upon it as a bubble economy driven by foreign capital investments. They highlighted the inherent instability of the model particularly, as capital has the habit of up-sticking and going to more lucrative destinations, which in the case of Asia could be India, Vietnam, unified Koreas among others. Such an unstable economy was vulnerable to internal and external shocks. In the Japanese perspective, an economic decline of China would have global impact with much stronger shock waves in Asia. It was necessary to hedge against such a possibility. Last, but not the least, they highlighted that unification of Taiwan would remain an important part of the future Chinese strategy.

Security of Sea Lanes of Communication (SLOC) through Indian Ocean to Western Pacific

In the backdrop of rapidly growing energy and resource consumption, population, and global environment effects, this session focussed on oceans becoming intricate tangles of national interests, focussing on the need for regional maritime security cooperation based on multilateral agreements.

Within the construct of this session, the issue of building cooperative security architecture of democracies in Asia Pacific region repeatedly came up for discussion. This was emphasised by Mr Nagashima, Member Japanese Diet and Shadow Defence Minister who proposed establishment of 'Rimland Maritime Cooperation'. In his perception, Rimland referred to littoral states that surrounded "the Heartland", comprising essentially China and Russia. He underscored the need for creating a cooperative architecture of maritime nations of East and South East Asia including India, based on shared democratic principles and dependence on maritime trade, as the means of influencing the Heartland. Similarly, during the deliberations, alliance of democracies based on shared ideals of freedom, transparency, respect for human rights etc was repeatedly brought to the table by both the Japanese and Taiwanese delegates. The logic of such proposals appeared

to be based on the following:-

(a) Contain growing Chinese economic and political influence in Asia-Pacific and their appropriation of strategic space in Asia, through alliances or cooperative arrangements of nations sharing democratic ideals.

(b) Echoing sentiments of American strategy of creating alternative security architecture in East and South East Asia to contain rising Chinese influence through "Coalition of Democracies".

Another aspect repeatedly stressed was the importance of Taiwan not only for the security in East Asia but also in containment of Chinese hegemonic aspirations. It was pointed out that Taiwan was not only part of central architecture of containing Chinese Naval power projection ambitions beyond the First Island Chain, but also a strategic SLOC through which nearly 70 per cent of Chinese maritime trade passed. Thus, dominance of Taiwan Strait formed an important part of the overall Taiwanese coalition design for restraining Chinese influence. This was further underscored by the fact that recently Taiwanese have upgraded their deployment on an Island in South China Sea called 'Taiping' that is part of the Paracel Island chain, in terms of building an airbase and deploying naval marines replacing the existing Coast Guard contingent.

Despite apparent strategic overstretch being experienced by the Americans in terms of involvement in West Asia and Afghanistan, both the Japanese and Taiwanese lay great stress on the US Asia-Pacific commitments. However, such optimism was underscored by the fact that increasingly American commitment is being seen in diplomatic rather than hard core security terms ie America is not seen as a power that will raise the ante in East Asia, should "push come to shove". Both appeared to be using the USA more as part of hedging strategies wherein; it was important to remain engaged than looking upon the US as a serious guarantor of security.

Seen in the above context, Japan appears to be groping for a strategic role in Asia commensurate with its economic and latent power potential. An impression gained was that the Japanese community were now seriously looking towards India as a possible strategic partner in realising this goal. It was, however, clarified

that this is not so much as part of China containment strategy but reflection of balance of power perceptions that continue to pervade the thinking of the regional players in East Asia. Simply put, Japan wants to be a reckonable player in Asia rather than simply being seen as a rich donor with little or no strategic clout. These are ominous developments, whose shaping is likely to cause consternation in the existing balance of power; an aspect which India will need to focus in its own strategic calculations.

In so far as Taiwan is concerned, it appears to have reconciled to the prevailing status quo in the belief that at least in the short to medium terms American regional strategic interests will prevent any change in the situation. Notwithstanding the above, the current Chen Shui-Bian regime is attempting to upgrade overall defence posture ahead of 2008 general elections wherein, pro mainland KMT party that eschews open confrontation with China is expected to fare much better. Taiwan is planning to increase its defence spending from current 2.5 per cent of GDP (approximately) to three per cent including, induction of eight additional submarines.

In context of the prevailing geo-strategic scenario and its future contours, Taiwan is keen for closer partnership with India under the overall rubric of common democratic values and shared interests. Within the above construct, it was nuanced that China's rise could pose a serious challenge to India, if the power gap between the two was to increase or become unbridgeable. The central theme was that all nations who are potential competitors in Chinese hegemonic designs should come together to fight a common challenge.

It was apparent that broader strategic thinking of both Japan and Taiwan is driven by balance of power relations vis-a-vis China backed by salience of the US alliance in containing China's growing geo-economic influence. Attempt is to carve out an alternative architecture to support SE Asian countries as part of their hedging strategies. Towards this end they are focusing on common concerns, like security of SLOC, shared maritime interests, the growing influence of their diaspora, shared perceptions on Global War on Terrorism (GWOT) and of course economic issues. Within the above thinking, an economically resurgent India with growing markets and trade is looked upon as a befitting partner in both strategic and economic terms.

India is being looked upon as a country maximising strategic options in the obtaining regional and geo strategic environment. Growing Indo-US strategic partnership further strengthens this perspective. Although repeatedly clarified by the Indian delegation that India is unlikely to countenance being partner in any strategic coalition or alliance, howsoever laudable the objective, it appears that efforts to draft India as a partner or supporter of such a framework are likely to continue. Although not specifically stated during the dialogue, such an effort is likely to be subsumed in the wider perspective of our 'Look East' policy along with membership of major economic groupings like Asia Pacific Economic Cooperation (APEC) or ASEAN + 3 (China, Japan and South Korea) as possible inducement.

Changing Global Security Dynamics: Impact on Indian and Pacific Regional Security

The issues raised and discussed in this session were—global power shift, emerging polycentric order, and implications of polarisation on security and how strengthened multilateralism (including a reformed UN and restructured Security Council) and cooperative security institutions were a pressing need. Concepts like mutual and equal security, peaceful resolution of disputes and adoption of less threatening defence postures were underscored. Expectedly, some Japanese and Taiwanese scholars persisted with the refrain of threats posed by accelerating rise of China and the resurgence of Russia and how the China-Russia nexus through or outside the Shanghai Cooperation Organisation (SCO) constitutes a threat to the US-led alliance in East Asia. The counterview projected was that Russia's resurgence was inevitable, as it was sought to be treated in the post Cold War period like Germany after Versailles; while the eastward expansion of NATO only served to exacerbate Russia's concerns. Whether such resurgence could spark conflicts remained a questionable proposition, was highlighted by the Indian delegation.

The North Korean nuclear tests and the six-party talks featured in the discussions. North Korea's apparent success in weakening deterrence in East Asia and leveraging nuclear weapons as tools for furthering its geo-political game plan of ending isolation and safeguarding regime security served to dispel possibilities of its comprehensive de-nuclearisation. While this poses a huge challenge

to Japan and Taiwan, it was pointed out that Russia, South Korea and China may not be too unhappy with the developments in North Korea. (The ramifications of the North Korean agreement after our visit are yet to unfold in their entirety). China's apparently successful anti-satellite weapon test in space, in the midst of the North Korean nuclear crisis, figured in the discussion. The test, timed soon after the East Asian Summit, was perceived as yet another signal of China's determination to be a global power that does not lag behind the US and Russia in the capability to weaponise space. Significantly, there were reports that in the latter part of 2007, China would launch a joint Asia-Pacific Space Project for cooperation in research, manufacture and application of small multi-mission satellite capabilities with Islamic countries. Pakistan and Bangladesh, as also South Korea, Mongolia, Thailand, Indonesia and Turkey are envisaged to be incorporated into this project subsequently.

Economically Resurgent Russia. An interesting aspect of the dialogue was the discussion on the rise of Russia and its impact on the security environment in Asia. The following points emerged :-

- (a) Japanese were particularly concerned with emergence of strong Russia and growth of its energy potential. This was underscored by the growing importance of Sino-Russian relations that are assuming increasing strategic contours. Growing cooperation was seen as undermining Japanese interests particularly; the manner in which Japan has been done out of its stakes in Sakhalin I, where it had invested huge sums.
- (b) The issue of absence of basic human rights in Russia and autocratic tendencies also came up for discussion. A pointed issue raised with the Indian delegation was on how India would deal with an increasingly authoritarian Russian regime. Traditional Indian ties with Russia were highlighted, particularly the fact that Russia had stood by India through the troubled period of the Cold War. To date, it remained crucial to India's growing energy, technological and armament needs. On the issue of dealing with authoritarian regimes, it was pointed out that given the record of the Western world and the countries like Japan condoning the overthrow of

democratic regimes in countries such as Pakistan, there was little need for India to be apologetic about the manner in which it deals with Russia. It was highlighted that it was more important to engage, rather than adopt a confrontational approach.

Other Important Issues

Some other important issues that emerged in the deliberations were:-

(a) Strategically, the global balance of power would entail accommodation of competitive and contradictory trends of an asymmetric hexagon, the USA, Russia and the EU in Europe, and India, Japan and China in Asia. In the emergence of a multipolar global order, the way the Six manage international peace and security would constitute the key to stability in the international system.

(b) Primary drivers for an India–Japan cooperation in maritime security and criticality of SLOC were – dependence of Japan an island-state having to import nearly all its food and energy supplies; and in the case of India, land route feasibility was precluded by geo-physical topography or Pakistan. India's growing interest in security of far flung SLOCs made for upgradation of force levels to acquire a blue water capability and acquisition of oceanic power.

(c) There is intense speculation in Japan on its future security orientation; particularly, in the context of growing geopolitical and geo economic significance of China and challenge posed by a nuclear North Korea. While elements from liberal political establishment like Shigeru Ishiba, former Defence Minister and Nagashima, Member of the House of Representatives of Japan would like a more independent security role in consonance with their national interests there are those who believe that having invested so heavily in treaty obligations and payment for American troops on the Japanese soil, the USA must continue to underwrite its security.

(d) Alternative view, however, was that America chastened by experiences in Iraq and Afghanistan, will not have the stomach to get involved in a future crisis in the region or raise the ante, should such a need arise. Consequently, it was important for Japanese to look at their self defence.

(e) On Japan becoming a nuclear power, an impression gained was that while Japanese continued to be pacifist in their approach and depended upon American umbrella, they have seriously begun to debate the relevance of nuclear weapons and their practicality in the changing security environment. This is not to suggest changes in the Japanese mindset but to highlight the impact of developments in North Korea on the Japanese psyche.

Conclusion

The dialogue was marked by free and frank exchange of views. An impression gained was that East Asian security dynamics was increasingly getting impacted by the rise of China and its increasing geo-strategic imprints. Tendency to build politico-military influences based on coalition of interests as part of containment strategy were discernable. Similar fears about rise of Russia were also expressed. What appeared to concern regional powers, was the profound impact of these developments on their security; particularly, in the context of the US involvement in West Asia and Afghanistan and its consequent effect on the balance of power in Asia.

The dialogue concluded with drawing up of a road map for future dealings, including research in areas of global and regional concern, particularly in the context of increasing globalisation and information revolution.