As in other regions, international security in East Asia has been transformed by the end of the Cold War. Yet, debate about the direction of change, let alone the reality of the transformation, has been much slower to develop in this region than in Europe. The reasons for these tardy reactions suggest that East Asians, and an interested wider world, have serious cause for concern about the risks of conflict in East Asia.

The debate about East Asian security is dominated by two theories of the future. On the one hand, there is the ‘back to the future’ view espoused by realists, who argue that the end of the Cold War has released indigenous conflicts that were previously suppressed. It is argued that Asia could easily destabilise, with a classical balance of power politics coming to dominate the international relations of the region. On the other hand, the more liberal view argues that the complex interdependence of the late twentieth century has curtailed military rivalry between industrialised states. The East Asian states, especially Japan and the newly industrialising countries (NICs), are ensnared in this web of trading and financial dependencies. Combined with the decline of the divisive influence of the Cold War, this interdependence can eradicate serious conflict in the region. Both of these arguments are persuasive, but the fear is that the pessimists may be closer to the truth. Assessing the balance between them is complicated by the aversion of Asians to being honest about their security concerns.

The analysis that follows will assess the main arguments of the protagonists in order to identify the greatest risks of conflict. Trying to peer into the future is a notoriously hazardous business and those attempting it usually draw on both history and theory for guidance. That will also be our strategy. In each of the following sections we will take one perspective and use it as a lens through which to examine security relations in East Asia. Any lens tends to highlight some features of the object under scrutiny and suppress others. By adding several such examinations together, we hope to assemble a reasonably clear picture of the security

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situation in East Asia as a whole. The next section deploys the historical lens to examine the legacy on which the future international relations of East Asia might draw. Following that we turn to theory, looking first through the realist lens at the balance of power and military security, then through the international political economy lens at economics and security, and finally through the lens of international society as a framework for regional order. We conclude by arguing that ‘back to the future’ is a distinct possibility in Asia, and by considering the nature of balance of power politics in the early twenty-first century and how it would fit into the wider world order.

HISTORY
The lessons of history are seldom clear and often deceptive. Recent conditions always differ significantly from older ones even when tempting similarities invite comparison, and, of course, there are several layers of history to choose from. It is clear that Cold War history is not entirely obsolete. There are still four states ruled by communist parties, and the Korean conflict is the same explosive cocktail of an ideological and civil war. Relations between Taiwan and China fall into a similar category, as do aspects of the Cambodian conflict. The boundary dispute and status rivalry between India and China also remain unaltered. Although this relationship did not have its origins in Cold War ideology or superpower competition, it did develop during the Cold War and was in part shaped and reinforced by it. One legacy of the Cold War for contemporary Asia is thus a set of unresolved rivalries and flashpoints. A second, stemming in part from the particular way in which the region was divided up by the Cold War, is the almost complete absence of significant multilateral political organisations, either regional forums or military alliances. A third, echoing much older history, is a widespread fear of potential Chinese expansionism in many of the countries around its periphery.

The first half of the twentieth century was dominated by the rise of Japan, its clash with Russian imperialism and Japan’s briefly successful bid to subjugate virtually the whole region to its military power and industrial economy. In this history is rooted the still strong and politically active fear and hatred of Japan in many countries. China and Korea, in particular, still remember the cruelty and arrogance of Japanese occupation, as to a lesser extent do many of the countries of South-east Asia. Russia remembers the humiliation of being the first European power to lose a major war to a non-white people and the threat to its sparsely populated holdings in Siberia.¹ One legacy from this period is a politically hamstrung Japan, which is unable to play a leadership role in the region commensurate with its power.² Another is the smouldering hostility between Japan and Russia, which might seem to be a Cold War left-over but has its roots further back in history.
The eighteenth and nineteenth centuries were dominated by the clash between the Asian and European civilisations. This was the start of the ancient Sino-centric civilisation being penetrated and eventually dominated by the military and economic power of the European 'barbarians'. The belief that it must right the wrongs of the humiliating history that began during this time is the main reason why China does not see itself as a status quo power. This is not just perceived as remaking China as a great power, but also a question of resolving territorial disputes. China’s ruthlessness, sometimes even at the cost of damaging its reputation and economic interests, has been evident in its handling of the takeover of Hong Kong and its determination to acquire islands in the South China Sea. China’s claim over Taiwan has also not been resolved and any sign that Taiwan might survive as an independent entity are firmly opposed by China, as was recently illustrated by its withdrawal from talks on limiting conventional arms transfers after the United States announced the sale of F-16 fighter aircraft to Taiwan. In short, China feels it is fully within its rights to change the territorial status quo, even though most other countries view such action as aggressive and dangerous.

China’s acute concern with traditional notions of sovereignty is in sharp distinction to Japan, which by virtue of its far greater interdependence with the global market economy is moving towards what can be termed a ‘post-modern’ definition of sovereignty. This fundamental difference in how the international system is perceived is related to the cultural problems of how to modernise and how far to westernise. This is the basis of the successful Japanese adaptation, which led to Japan first joining and then superseding European imperial power in East Asia.

There are two legacies from this period. One is the uncertainty over Russia’s colonial borders, which remained geographically fixed when other European powers withdrew from Asia. The other, which is more diffuse, is the fact that some Asian states have coped better than others with the challenge of modernisation.

Before European powers had penetrated Asia a Sino-centric imperial power had dominated the region. This power was remarkably durable, though it did wax and wane over the millennia. What was also remarkable was the degree of detachment of this civilisation from those that developed further west. A few ideas, people and luxury goods travelled the silk roads but there was no strategic interaction between China and the classical civilisations in South Asia, Mesopotamia or the Mediterranean. The main legacy from this is a fear of Chinese domination, particularly in South-east Asia as a whole and Vietnam in particular. One might also see a shadow of the future in the rival penetrations by cultural, religious and ethnic influences from India and China into South-east Asia that occurred.
All of these historical legacies remain and, taken together, they suggest political fragmentation and hostility characterising the region’s international relations. There is little that binds its states and societies together but much that divides them. Any chance of finding unifying common ground against the West has long since disappeared. As the particular distortions imposed by the Cold War unravel, many historical patterns that were either suppressed or overridden by ideological and superpower rivalry are reappearing. Sino-Japanese rivalry is perhaps the most worrying because it involves the two biggest powers in the region. There is the potential for Sino-Indian rivalry as the two giants of Asia slowly consolidate their modernisations and extend their military power. While the US may potentially be able to hold a stable balance of power in the region, it depends upon the extent of the relative decline of American power and the country’s isolationist tendency when faced with intense local rivalries unmediated by some overriding ideological cause. History, therefore, strongly reinforces the view that Asia is in danger of heading back to the future.

MILITARY SECURITY AND THE BALANCE OF POWER
What do the traditional realist concerns with the balance of power and military strength suggest about the future of Asia? Without doubt, of fundamental importance is the lifting of the superpower overlay and the withdrawal of Soviet-Russian and American power and engagement from the region. This process is broadly comparable to that in Europe, though the particular details are quite different. For four decades Asia, like Europe, has been in the grip of the rival containment and counter-containment strategies of the two superpowers. This grip created its own pattern of ideological and military alignments, and drew American power deeply into East Asia. Although the Sino-Soviet split and inter-communist rivalry gave it a unique twist, security relations in East Asia were nonetheless deeply affected by the Cold War. Now Soviet power has imploded, the global ideological confrontation has collapsed into a few local pockets, and America is reducing its military power in response to domestic demands and the end of the Cold War.

The realist can argue, citing historical precedent, that the break-up of the superpower overlay allows, and indeed compels, local patterns of amity, enmity and balance of power to reassert themselves. The cost for East Asia of its freedom from foreign rivalries is that it now has to deal with indigenous insecurities that have deep roots of their own. The interesting, and in some ways alarming, fact about this analysis of East Asia is that we have little historical experience to guide us: there is no record of indigenous modern international relations in the region. For almost all of this century Asia has been dominated by foreign powers: first the Euro-
pean empires and later the superpowers. The Japanese expansion was certainly indigenous, but it occurred while China was in chaos and most of the rest of the region was under European occupation or control, and so does not provide a model for post-Cold War security dynamics.

During the Cold War a whole set of Asian states achieved independence, and some of them have become industrial and commercial powers. But they developed with their international relations much constrained and shaped by the Cold War. With the lifting of these restraints it is not clear what the regional pattern of security relations will be. These states have no modern experience of how to relate to each other on terms largely defined by the local dynamics of regional relations. In this sense, speculation about the future of Asia is profoundly different from that in Europe, where pre-Cold War patterns of power (im)balance play a significant role in post-Cold War relations.

One possible parallel is with the international relations emerging out of the wreckage of the Soviet Union, where a group of wholly new states have both to find their feet and work out their interrelationships. Another is with nineteenth-century Europe, where a cluster of powerful, nationalistic and industrialising states had to deal with boundary disputes, historical fears and status rivalries. In East Asia, the question is what kind of regional patterns will fill the power vacuum left by the superpowers? For the realist, of central importance will be China’s growing strength and the uncertainty about whether Japan will challenge China for regional influence.

The withdrawal of the superpowers and the rise of China and Japan (and further in the background India) is in part matched by increases in defence spending and arms acquisition. China’s defence budget has doubled over the past four years, at a time when those of all the other permanent members of the United Nations Security Council have decreased. China has embarked on a major programme of military modernisation, spurred on by the lessons of the 1990–91 Gulf War. It has acquired in-flight refuelling technology and modern weapons from Russia and is discussing long-term coproduction of state-of-the-art weaponry with Russia.

China is the most important part of the local arms dynamic. Taiwan has responded by purchasing modern fighter aircraft and ships from the US and France. South-east Asians concerned about Chinese intentions in the South China Sea are also buying new weapons systems. Many of these countries are increasingly able to afford the expensive advanced technology of modern warfare and their rapid pace of economic growth often hides the extent to which defence spending has increased, since it is not expanding as a percentage of gross domestic product (GDP) (see table below).6 South Korea, threatened by both the increasingly aggressive and
unstable policy of North Korea and the general withdrawal of American power, is also spending more on its armed forces.

### Change (1985–92) in Defence Expenditure (constant 1985 $m)

<table>
<thead>
<tr>
<th></th>
<th>$m change</th>
<th>% change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australia</td>
<td>-333</td>
<td>-7.1</td>
</tr>
<tr>
<td>China</td>
<td>2,514</td>
<td>12.6</td>
</tr>
<tr>
<td>Japan</td>
<td>3,750</td>
<td>28.5</td>
</tr>
<tr>
<td>North Korea</td>
<td>931</td>
<td>22.4</td>
</tr>
<tr>
<td>South Korea</td>
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<td>63.5</td>
</tr>
<tr>
<td>Malaysia</td>
<td>551</td>
<td>31.2</td>
</tr>
<tr>
<td>Singapore</td>
<td>431</td>
<td>36.2</td>
</tr>
<tr>
<td>Taiwan</td>
<td>1,237</td>
<td>29.9</td>
</tr>
<tr>
<td>Thailand</td>
<td>420</td>
<td>27.6</td>
</tr>
<tr>
<td>Vietnam</td>
<td>-650</td>
<td>-27</td>
</tr>
<tr>
<td>NATO (Europe)</td>
<td>-715</td>
<td>-0.7</td>
</tr>
<tr>
<td>USA</td>
<td>-15,448</td>
<td>-5.7</td>
</tr>
</tbody>
</table>

Source: IISS Military Balance 1993–94 (London: Brassey’s for the IISS, 1994). Note the major debates about the true size of Chinese defence spending, with some suggesting the figures are three times larger.

So far this is more of an arms build-up than an arms race. States in the region are responding to the uncertainty about future threats, their own rapidly expanding economic strength, and the diminishing security commitments of the superpowers. There are as yet no highly focused competitive arms accumulations (except the long-standing one in Korea) and it is still rare for military expenditure to rise as a percentage of gross national product. But this can easily change, as happened in the Gulf during the 1970s when the arms build-up that followed British withdrawal and the rise in oil prices turned into the arms racing and wars of the 1980s and 1990s. In East Asia, the trend is clearly towards the development of more powerful indigenous arms industries, making the states less dependent on external supplies.

Japan views this arms build-up with growing concern. Although its defence spending has remained low as a percentage of GDP, the rapidly increasing size of the GDP and the modernity of its economy gives Japan a formidable purchasing power and the ability to develop a threatening
arsenal at relatively short notice. So far, Toyko has avoided acquiring such offensive systems as in-flight refuelling or aircraft carriers, but it has already warned China that by acquiring such weapons Beijing risks destabilising the region. As the US continues to reduce its forces in the Pacific, so doubts will rise in Japan about the reliability of the American strategic umbrella and the consequent need to fill a perceived strategic vacuum. Such a change in Japanese policy would not only spur China to even greater efforts but would provoke fears in the Koreas and South-east Asia, where memories of Japanese imperialism are still assiduously cultivated by political elites.

Paradoxically, a crucial part of the momentum for the arms race comes from the American intention to cut back its forces. The US fuels arms races by creating a power vacuum instead of establishing a structure of arms control or collective security. By seeking to arm states, for example in South-east Asia, Taiwan or South Korea, to lessen their fears about an American withdrawal, regional insecurities are often exacerbated. By becoming ever more desperate for markets for American weapons as the Europeans cut back their purchases, the US is making it easier for local states to increase the pace and lethality of the arms build-up and consequently risk creating an arms race.

Looming behind the build-up of conventional arms is the spectre of nuclear proliferation. Rising concern about nuclear security parallels that about conventional arms and has the same motive: local responses to the weakening or withdrawal of superpower nuclear umbrellas. China has, of course, been a nuclear weapon state since 1964. India became a threshold nuclear power with its test explosion in 1974 and Pakistan acquired a threshold nuclear weapon capability during the 1980s. The proliferation ‘chain’ that led from China to India to Pakistan has the potential to spread further, both east and west, should India and Pakistan seek overt nuclear weapon status. In East Asia, there is evidence that North Korea is moving towards nuclear weapon capability. South Korea, Taiwan and Japan are all wealthy, advanced industrial economies with substantial civil nuclear industries. Although South Korea and Taiwan have renounced the weapon-potential technologies of enrichment and reprocessing, both have the basis of a military nuclear programme that could produce weapons within a few years. Japan has what might be called a policy of ‘recessed’ deterrence. It has civilian rockets and guidance systems capable of being converted into nuclear missiles, and has a nuclear industry with large stockpiles of fissile material that can be used in nuclear warheads. All three of these countries are signatories of the Nuclear Non-Proliferation Treaty. What their posture seems to say, and especially that of Japan, is: ‘Don’t push me around. My intentions are peaceful, as indicated by my restraint in acquiring nuclear capability. But if circumstances change I
command the technology and the wealth to become a formidable nuclear power in a short space of time. If pushed, I will mobilise these capabilities'.

Circumstances, of course, are changing. The weakening of the American nuclear umbrella over East Asia confronts these states with choices that may be much harder than they faced during the cocooned decades of the Cold War. If the restraints against proliferation break-down, Asia could quite quickly contain several new nuclear powers. The possibility of a proliferation chain running outwards from North Korea is particularly disturbing.

The military-strategic outlook is not all threatening, however. Japan is still highly constrained by its internal politics from any serious remilitarisation. It has a well-embedded tradition of defensive defence and, unlike the 1930s, would now have great difficulty recruiting large armies from its aging population. The Association of South-east Asian Nations (ASEAN) states have constructed a durable security regime that has allowed them to solve and demilitarise a variety of disputes between them. There are great flows of money and people from Taiwan into mainland China. India and China are on polite terms despite their unresolved border dispute. Furthermore, large parts of Asia, unlike most of Europe, have the benefit of being strategically insulated from each other by water. These factors are not insignificant, but they are not by any means sufficient to lay to rest the concerns outlined above.

THE ECONOMICS OF SECURITY

There is a remarkable ‘econophobia’ when most people talk about East Asia and the Pacific. The optimists do not deny the risks in the region, but they do suggest that the depth and complexity of economic interdependence between its states makes the outbreak of war very unlikely. This argument stems from liberal views of how the international political economy operates. It is argued that mutual dependencies in trade, finance and technology both raise the costs of conflict and lower the incentives for war. Costs result from the disruption to markets, investments and flows of goods. Economic dependence on others makes states more vulnerable to such dislocations, while at the same time fostering habits of communication and compromise between them. Incentives for conflict are lowered because in a relatively open liberal international economy access to raw materials, finance and markets is obtained at less cost and on a greater scale than would be possible by military control of territory or spheres of influence. A liberal economic order divorces wealth and welfare from control over territory, and thereby removes one of the main reasons for the use of force. The relative success of the pluralist market economies, and their victory in the Cold War, can be attributed to their pursuit of a liberal
economic order, which has virtually eliminated the possibility that they will ever again use force against one another. Such optimism in Asia rests on the fact that Japan, the NICs and, increasingly, parts of China are now firmly tied into this Western inspired global economic order. The end of the Cold War, by breaking up the resistance of communism, has further opened the region up to penetration through economic interdependence.  

Yet, there are at least four reasons to qualify the optimism that this scenario might otherwise suggest for Asia.

First, the level of involvement in this liberal, post-modern international interdependence varies a great deal in the region and even within states themselves, such as China. Unlike the European Union, where the differences in the extent of interdependence are less pronounced, there are states in East Asia that still take a more traditional view of economic sovereignty. Echoes of the North–South agenda for the redistribution of wealth can also still be heard. China and Taiwan are not yet members of the General Agreement on Tariffs and Trade (GATT), and even when they join China will certainly not conform to transparency in trade. The presence of non-tariff barriers in many East Asian states, including the more interdependent ones such as Japan, is a problem for trade both within the region and with other parts of the global market economy. The process of creating greater transparency and openness is bound to be painful as it provokes resistance from powerful vested interests.

Second, while there has been rapid economic growth in East Asia, interdependence within the region has failed to keep pace with the European Union. Indeed, trends suggest that the most developed states in East Asia are seeking global rather than just regional connections. Japanese investment flows show this very clearly – with Britain taking more Japanese foreign direct investment in 1990 than the whole of Asia. Given the uneven levels of development in East Asia, it makes sense for the most developed economies to seek markets in other developed states, which naturally encompasses North America and, more recently, the EU. As the East Asians continue to develop so they should be better placed to provide markets for each other, but the shake-out as market share is contested is likely to be acrimonious. The absence of an effective regional economic institution means that, unlike even in the early days of the European Community, there is no mechanism to minimise disputes. Also unlike in Europe, there is no political reservoir of goodwill on which to draw to lubricate economic cooperation. The fact that ASEAN can agree not to tax the importation of snowploughs but has failed to open up its markets to more ‘popular’ products illustrates the depth of the problem.

There are also doubts over how evenly the mutual dependencies are distributed in the region. As Keohane and Nye have pointed out, interdependence can be uneven and when it is, power relations reassert them-
Japanese assumptions that they can control the rising power of their neighbours because they, including China, depend on inputs of Japanese capital and technology to sustain growth, are an example of the logic of uneven interdependence at work. If interdependence in Asia is uneven then it could mask new power relations of dominance and dependence. If interdependence in Asia is weaker than between individual Asian states and the rest of the world, then one has to ask how much restraint that will provide against balance of power behaviour within the region. Another concern is Tokyo’s tendency to view itself as superior to the rest of East Asia and the subsequent undermining of regional efforts to increase economic cooperation. Japan, to a certain extent like Britain in the EU, stresses the virtues of an open global trading system and opposes narrower regionalism. It is not surprising that both Britain and Japan are treated with suspicion by their regional partners. When added to the already deep-seated concerns in East Asia about Japanese military intentions, there are doubts about the disposition of national rather than cooperative regional efforts to cope with the problems of economic interaction.

It is probable that the rest of the world, particularly the US and Europe, might actually welcome a deterioration in security relations within Asia. If Asian states increase military spending to arm against each other it might take some of the heat out of their economic challenge to the West, as well as providing, at least in the short term, a large market for the armaments and related technology in which the West still holds the advantage. The rise in tensions in Asia would prolong the West’s view of itself as being more civilised than the rest of the world and would give it more leverage over Japan and China. The potential downside of this argument is that sustained military competition in Asia might stimulate nuclear proliferation. In the longer term it would lead to more advanced weapons producers and possibly even military threats to the West. Nobody familiar with the history of Europe can underestimate the danger of this process: it was the European anarchy that took over the world and conquered the Asian empires, not the other way around.

A third reason for doubting the logic of liberal optimism in East Asia is that economic interdependence is not necessarily a protection against tension and conflict. The US–Japanese relationship, both before the Second World War and recently, is evidence of this. There have been arguments about ‘economic interests’ as a cause of intervention rather than of abstention, as demonstrated by Japan in the 1930s. There are also concerns about geo-politicians arguing that ‘strategic waterways’ are so economically important as to justify intervention and power projection capability. Chinese strategists make a similar case for resources in the South China Sea. Japan is dependent on other states partly because it is reliant on external energy supplies, which could lead Japan into going to
South Korea and Taiwan suffer similar high dependencies on energy supplies and long sea-lines of communication.

Indeed, are liberal economic orders only a temporary escape from security dilemmas? The much cited case of the 1930s can be used to argue that the instabilities of management in a global economy, which is far stronger than any available mechanisms for governance, is a recipe for periodic collapse. When such collapse comes, the accompanying disruption of markets and shrinkage of production can cause great pain and profound political upheaval. Optimists will argue that these lessons have been learned and that the shadow of the past is strong enough to prevent a return to the 1930s. They may be right, but the signs are not all encouraging. The difficulties of the GATT round – the willingness of national political leaders in many developed countries to put domestic priorities above international ones, the ease with which blaming the ‘unfair’ practices of foreigners becomes part of the domestic political debate, and the increasing difficulties of managing economic interdependence in a world beset by surplus capacity, intensifying competition, expensive capital, flows of ‘hot’ money and short tempers – all suggest otherwise. The move towards a more regionalised world economy has been boosted by the formation of the North American Free Trade Agreement and the European Union, and talk of regional economic blocs is common in South-east Asia, Southern Africa, West Africa and elsewhere despite the recent last-minute completion of the GATT Uruguay round.

For Asia, the concern is the absence of machineries or structures, or even the foundations for them, for regional cooperation. For the reasons discussed above, Tokyo is still unable to act as a regional leader. Memories of its Greater East Asia Co-Prosperity Sphere still evoke strong negative reactions that would impair any attempt to construct a regional bloc. If the liberal world economy suffers a major break-down, Asia will be in the weakest position of all the major industrial centres to weather the crisis.

Fourth, there is a curious tendency to use Europe as an example that greater economic integration makes war less likely. A key difference between East Asia and Western Europe is in their form of democratic government. It may be true that democracies do not fight each other, but not all market economies are democratic and those of a more corporatist or authoritarian character may not be so inhibited. This leads on to the complex argument that because East Asian political culture has never had an enlightenment, as in Europe and America, Asian politics leans towards authoritarianism and sudden changes of policy. What is certainly true is that these political and economic cultures are less transparent than Western models and, therefore, conflict and misunderstanding among them are more likely.
THE WEAKNESS OF INTERNATIONAL SOCIETY
A fourth perspective on Asia’s future can be gained from the lens of international society. Hedley Bull and Adam Watson define international society as: ‘a group of states (or, more generally, a group of independent political communities) which not merely form a system, in the sense that the behaviour of each is a necessary factor in the calculations of the others, but also have established by dialogue and consent common rules and institutions for the conduct of their relations, and recognise their common interest in maintaining these arrangements’. International society encompasses the more specific notion of regimes. It suggests a situation in which a whole set of regimes, multilateral organisations and rules exists which enables states to communicate on a regular basis, to establish modes and habits of consultation and cooperation, to coordinate and manage their relations, and to prevent their disputes escalating into conflict or war.

Europe, in particular, and the West, in general, constitute advanced and richly developed international societies. Given the near universal acceptance of the diplomatic practice and membership of the United Nations, the international system as a whole can be seen as an international society, albeit one of a rather basic and thinly developed type. What is distinctive about Asia is its combination of several industrialised societies with a regional international society so impoverished in its development that it compares poorly with even Africa and the Middle East.

Perhaps the most alarming aspect of East Asian security is the virtual absence of effective multilateralism. One might argue that Europe has a confused alphabet soup of institutions, but its problem is the lesser one of finding the most appropriate forum rather than the greater one of developing a process of dialogue from scratch. East Asians have little experience of multilateral institutions. ASEAN remains a limited political institution that has so far failed to shape greater economic cooperation and remains reluctant to address post-Cold War security concerns.

Asia-Pacific Economic Cooperation (APEC) is the most developed of the economic groupings, but it looks unlikely to become more than an unwieldy Pacific summit beloved of sherpas and journalists. Indeed, APEC can be viewed as an attempt to avoid confronting the consequences of the ending of the Cold War. Its objective is to keep the US as guarantor of Asian security, which both flatters waning American power and keeps the Asians from having to come to terms with each other. There are two risks for Asia in this policy. First, the US is unwilling to become entangled in inter-Asian rivalries. Second, it is willing, but only for reasons of self-interest. The result could be the US playing the role to its own advantage, as ‘perfidious Albion’ did in Europe before the Second World War. Economically, Japan and the US are keen to limit the development of such
regionalism because they fear that its success would mean more trade barriers. Many ASEAN states fear that in a wider regional organisation they would be overshadowed by the agendas of their great power neighbours.

The virtual absence of multilateralism is a cause of deep concern for the security of the region. Japan, South Korea and the US have only now begun to hold talks about North-east Asian security, let alone try to evolve an effective two plus four consultation mechanism for the region. Hopes for a Conference on Security and Cooperation in Asia, akin to the Conference on Security and Cooperation in Europe (CSCE), have foundered on regional rivalries and the inability of the ASEAN Post Ministerial Conference to deal with any significant security issues, even with Chinese troops continuing to extend their grip of the South China Sea. While the Five Power Defence Arrangement (consisting of Malaysia, Singapore, Australia, New Zealand and the UK) survives as a confidence-building measure between Singapore and Malaysia, it serves as evidence that more wide-ranging multilateralism in security requires the involvement of powers from outside East Asia. It is significant that Japan could only contribute to the peacekeeping operation in Cambodia because it was under the auspices of the UN. As with many economic issues, the East Asians are unable and unwilling to solve problems between themselves and need outside assistance. This is rocky soil for the seeds of multilateralism and arms control to grow.¹⁶

One of the most obvious causes of a weak international society is the presence or prevalence of weak states (those with low levels of socio-political cohesion).¹⁷ The logic of the international ‘anarchical society’ is decentralised political order.¹⁸ It is necessary (though not sufficient) for international order to prevail under these conditions for the states comprising it to be socially and politically stable. If they are not, as illustrated most obviously by the international relations of the Middle East, then the construction of stable, long-term relations between them is impossible. Where weak states exist, leaderships and ideologies are unstable, domestic turbulence spreads beyond their own borders, insecurity is endemic, and no state can rely on consistent patterns of attitude and alignment. Even the most casual observer of European security after the Cold War will identify weak states as a major cause of insecurity. The collapse of Yugoslavia, Czechoslovakia and the Soviet Union are the most dramatic examples, but the painful reconstruction of state–society relations throughout Eastern Europe is also a cause of concern.

In East Asia, the collapse of the Soviet Union has had its own consequences, including the possibility of an independent Russian Far East and the knock-on effects on China of the emergence of independent and unstable Central Asian states. One effect of the collapse of the Soviet
Union was the communists accelerating their domestic reforms through the extension of decentralisation. Central authority is consequently weakening and it is now no longer unreasonable to talk of the fragmentation of China, albeit not in the same way as in the Soviet Union. As China pulls in different directions, depending on its regional trade partners, serious questions have to be asked about the risks of conflict if or when China is no longer a single entity in a region that it once had the potential to dominate. Some states in the West and Asia might be pleased to see a fragmenting China, though probably not if the outcome was a violent civil war.¹⁹

Weakness in other states in East Asia takes on less dramatic but more varied forms. There is the special case of the two Koreas, with the ideological and military confrontations of the Cold War remaining and the existence of each state undermining the legitimacy of the other. Taiwan faces a similar lack of legitimacy in the eyes of China. Greater political pluralism, particularly in South Korea and Taiwan, may have an important impact on possible reunifications. Greater democracy may encourage ideas of independence in Taiwan and the debate in South Korea may be shaped by a population allowed to voice opposition to the inevitable costs of reunification. The Philippines remains squalid and misgoverned, with successive regimes failing to quell guerrilla movements, stem corruption and sustain real economic growth. The NICs of the region have achieved remarkable economic growth, but they are trying to combine expansion with a move away from authoritarian military rule towards increased pluralism and democracy. Recent mass killings of civilians by the military in Thailand show how far there is to go even in a prospering ‘dragon’ economy. Neighbouring Myanmar remains locked in a corrupt and repressive military dictatorship. In the face of ethnic divisions, boundary disputes, politicised armed forces and deeply institutionalised corruption, most of the countries of South-east Asia face serious problems in establishing stronger states, even though they are not now suffering from the intense competing foreign interventions of the Cold War.

The presence of these weak states, with their spill-over effects on the international relations of the region, in part explains the weakness of international society in Asia and the difficulty of remedying the situation. The lack of a well developed international society means that Asia is peculiarly vulnerable to the ‘back to the future’ scenario and a revival of balance of power behaviour. Global international society may act as a restraint but, as argued above, the Western powers, whether mistakenly or not, may see little short-term benefit in preventing such a development.
FORWARD TO AN UNHAPPY FUTURE?

When added together, the picture through our four analytical lenses reveals many weighty factors indicating a balance of power future for East Asia, with much sparser and less-well-rooted forces favouring the interdependence view. While this pessimistic assessment does not suggest that large-scale conflict or war is inevitable, an escalation of military spending and arms rivalry is a real possibility. Some military conflict is distinctly possible, though Asians, like Europeans, are constrained by the overriding fear of nuclear escalation. The point is not that the future is doomed to gloomy scenarios but that despite the superficial Western orientation of its NICs, Asia is not an integral part of Western international society. It has dynamics of its own, which are becoming more prominent and raise serious doubts about the validity of optimistic assumptions of a benign future based on peaceful interdependence. While the Atlantic community and Japan have established an interdependent security community, it does not cover the rest of East Asia, suggesting that the West may choose to avoid squabbles in this region. Even if East Asians do not highlight these dangers, it is not to say that they do not exist or are not spreading as opportunities are missed to stem the drift back to the future.

There are a number of specific security concerns in East Asia. The first is the potential for arms races. As was evident during the Cold War in Europe, even a sustained, high-level arms race does not necessarily result in war. Although it can be argued that this money may have been more effectively spent on other public needs, there is no simple trade-off between bombs and butter as suggested by talk of a 'peace dividend'. In addition, East Asia is becoming increasingly wealthy and, therefore, better able to endure high levels of defence spending. While arms races represent political insecurity and may not necessarily lead to war, it is still of benefit to limit the risks and costs. This requires greater transparency of defence spending, arms transfers, defence doctrines and military deployments. These are all elements of the CSCE and could be adopted by East Asia.

The most obvious area where arms races signify political instability is in the South China Sea. China's pursuit of its territorial claims as the US is reducing its forces and ASEAN seems incapable of organising a coherent response, suggests the urgent need for an international effort to establish a formal dialogue on conflicting claims. China is the main threat to instability and it needs to be subjected to more vocal and effective efforts to make Beijing aware of the risks it is running. It would be peculiar if aggression in East Asia is tolerated by the international community after it was opposed in the Persian Gulf. Yet, it is unlikely the US will oppose China continuing to take territory by force in the South China Sea, preferring to leave the East Asians to their own devices.
A related and longer term concern must be decentralisation in China and the impact this will have on the settlement of disputes over Hong Kong and Taiwan. It is unlikely that the Chinese takeover of Hong Kong will be contested by force, but a deepening of the crisis may result in large flows of refugees and damage to regional economic cooperation. It may also affect the settlement of the Taiwan issue, in which military conflict is far more likely. If the resolution of these unsettled issues of Chinese history are part of a larger challenge to the unity of the Chinese state, then all bets on the stability and prosperity of East Asia must be reconsidered. The reluctance of many analysts to consider the risks of the implosion of the Chinese empire is as strong as it was with the Soviet empire.

There is concern over the unification of the two Koreas and the risk that it will become entangled with the issue of nuclear proliferation. The absence of any formal mechanism, let alone a two plus four system for discussing the risks, is a cause of concern. Suspicion in North-east Asia of the motives of all the key states in the region are every bit as great as they were in Europe over Germany, but at least in the case of the latter there was a long-standing mechanism of crisis consultation that eased the transition.

In North-east Asia, there is also the potential for conflict between China and Japan and between Russia and Japan due to the rapidly shifting and contrasting alignments and interests. Sino-Japanese relations must be the most uncertain dimension, if only because both states have such different strengths and priorities. Both sides regard the other as a potential threat and a reason to increase military spending.

The much touted risk of US-Japanese conflict seems far fetched, especially as the former is reducing its military presence in East Asia. The risk of conflict in the short term is due to an absence of American power rather than because of its presence. Given a 1920s-like scenario of American withdrawal and relative isolationism, coupled with economic tensions, the US passivity may allow Japan to shape the international relations of East Asia. It is unclear which side the US would take in a Sino-Japanese conflict.

The lessons of the 1920s and 1930s suggest that the only way in which a retreating US can maintain its influence at a reduced cost is by establishing an effective multilateral security structure. Of course, in the 1920s and 1930s the US failed to pursue effective multilateralism and had to use force to subdue Japanese imperialism. By helping to keep the protagonists apart and the US at least engaged politically and economically, it is possible that the local states will have time to evolve their own process of dialogue and regional cooperation. So far, the evidence is that East Asians are unable to formulate effective regionalism. Economic multilateralism quickly runs into the obstacles over possible Japanese domination.
Multilateralism in the security sphere encounters similar worries about Chinese power and intentions. Should the US fail to help build a regional dialogue on security and should East Asians fail to take up the challenge of multilateralism, the region may become the most important zone of conflict in the twenty-first century.

Notes
1 Gerald Segal, The Soviet Union and the Pacific (Boston: Unwin/Hyman for the Royal Institute of International Affairs, 1990).
8 This term is Dan Deudney’s.
10 For a discussion of ‘openness’ see Barry Buzan and Gerald Segal, ‘Defining Openness as Reform’, in Gerald Segal et al., Openness and Foreign Policy in Government States (London: Routledge for the Royal Institute of International Affairs, 1992).
19 This complex issue is the subject of
a major research project at the IISS. See Gerald Segal, *China Changes Shape*, Adelphi Paper No. 287 (London: Brassey's for the IISS, 1994); and Gerald Segal and David Goodman (eds), *China Deconstructs* (London: Routledge forthcoming, 1994).