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ARMS ACQUISITIONS, DEFENCE SPENDING AND THE SECURITY DILEMMA IN EAST ASIA

Increasing military capabilities may be a normal and rational activity as states maintain their position relative to their neighbours and as new technology is developed, or it may presage something more serious. In considering these issues, attention will be drawn to the fact that the current regional security environment is generating an increasing degree of concern. Much has certainly been made of the increases in defence spending and the number and types of weapons platforms and systems which regional states are acquiring.

The International Institute for Strategic Studies has highlighted the acceleration in the rate of real defence spending increases in Asia after 2010. These rose by 2% in 2011, 4.5% in 2012 and 4.7% in 2013. In real terms, therefore, defence spending in Asia in 2013 was 9.4% greater than in 2011. For East Asia, real defence spending went from US\$165.7bn in 2010 to US\$205.4bn in 2013 (a rise of 13.2%) and in South-East Asia over the same period real defence spending was almost 20% greater making it “the fastest sub-regional rise across Asia”.ⁱ

Not all of the increased expenditure has been on arms acquisitions: much of it has been directed towards the less headline grabbing areas of the pay and conditions of military personnel. However, it has obviously provided the wherewithal for the region’s states to pursue procurement programmes and it is these which have increasingly been prioritised.ⁱⁱ With regard to equipment, attention has been focussed on the quantity and quality of that which the region’s states have acquired, are planning to acquire, or are developing, particularly in terms of air and maritime capabilities. Examples include:

- China’s launch of three new Type-05D destroyers in 2013, flight tests of two J-20 next generation combat aircraft, commencing the production of a second naval aviation platform, and the introduction of nuclear-powered hunter killer submarines;ⁱⁱⁱ
- Japan’s launch in August 2013 of the first of two 27,000 tonne helicopter carriers, the *Izumo*, due to be commissioned in 2015^{iv} and the acquisition of *Soryu*-class submarines and new Aegis destroyers;^v
- South Korea’s launch in August 2013 of the fourth *Son Won-il*-class submarine and the approval of a plan to launch three more *Sejong the Great*-class Aegis destroyers

- between 2023 and 2027 equipped with vertical-launch guided missiles;^{vi}
- Indonesia's order for three Type-209/1200 attack submarines the first of which is due to be delivered in 2015,^{vii} and two Dutch SIGMA 10514 frigates expected to be delivered in 2017;^{viii} and
- Vietnam's order for 12 more Su-30MK2 aircraft in August 2013,^{ix} and its acquisition of six *Kilo*-class submarines.^x

The various states' focus on maritime capabilities is not surprising. As one retired US Navy admiral has noted, the majority of security issues in the region are in the maritime domain and thus the "military capabilities competition will be largely maritime as well".^{xi} In particular, China is seeking to acquire capabilities which will force the "US and its allies [to] operate further from its home waters."^{xii}

At the centre of concerns about all this actual and planned procurement, is the belief that it will provide the region's armed forces "with the capacity to locate and destroy targets at longer ranges and with greater accuracy." Additionally, regional states are increasing their abilities "to deploy more substantial forces over greater distances."^{xiii} In other words, they are developing power projection capabilities which, by and large, they have not hitherto possessed. The development of such capabilities by the major Asian powers of China, India and Japan "would change the peaceful nature of the region and cause greater suspicion, political competition, and even conflict", especially if it occurs in conjunction with "more active unilateral military diplomacy".^{xiv}

What label then should we attach to these arms acquisitions? Over the past 18 months or so it has been apparent that it is still popular to use that of an 'arms race'. No less a person than Indonesia's armed forces chief, Gen. Moeldoko, has said that: "We are definitely worried because there is a trend happening in the region right now and that is an arms race, between ASEAN ... countries themselves and between major powers."^{xv}

It is useful here to introduce Colin Gray's classic definition of an arms race. For him, the "minimal condition" for one to exist is "that there should be two or more parties perceiving themselves to be in an adversary relationship, who are increasing or improving their armaments at a *rapid* rate and structuring their respective military postures with a *general* attention to the past, current, and anticipated military and political behavior of the other parties."^{xvi}

Under this specific definition it would be difficult to assert that what is currently occurring in East Asia is an arms 'race'. Part of the utility of the term is that it is meant to help distinguish between what is normal and what is an abnormal pattern of behaviour in terms of arms acquisitions. An arms race constitutes abnormal behaviour whilst the maintenance of the military status quo is normal. In effect, therefore, there is a spectrum of behaviour with the possibility of movement along it. Buzan and Herring argue that it is "the direction of change [which] may be a more appropriate guide to events than any attempt to locate a given case on

one side or the other of some strict but arbitrary dividing line.”^{xvii}

The direction of change in East Asia has undoubtedly been from the maintenance of the status quo end of the spectrum and towards the arms racing one. Moreover, this change has been occurring at an increasing rate. Thus, it would not seem unreasonable to contend that the mid-point of ‘arms competition’ has already been reached or, if not, then it soon will be.^{xviii}

Whatever label we choose to attach to regional arms acquisitions and military developments, it is readily apparent that they are heightening the security dilemma.

In its most simplistic form, the term ‘security dilemma’ is synonymous with ‘security problem’. This is too broad and conceptually meaningless. Narrowly defined, a security dilemma exists when a state’s military preparations “create an unresolvable uncertainty in the mind of another as to whether these preparations are for ‘defensive’ purposes only (to enhance its security in an uncertain world) or ... for offensive purposes (to change the status quo to its advantage)”.^{xix} Practically, of course, it is almost impossible for states to differentiate “between measures other states take to defend themselves and measures they may be taking to increase their capability for aggression.” The effects of getting it wrong are so serious, however, that “the dictates of prudence pressure each state to adjust its military measures in response to a worst-case view of the measures taken by others.” Thus, as each move is regarded as being a potential threat, “even a system in which all states seek only their own defence will tend to produce competitive accumulations of military strength.”^{xx}

It has also been argued that in an international system characterised by anarchy and uncertainty, the existence of “mistrust between two or more potential adversaries can lead each side to take precautionary and defensively motivated measures that are perceived as offensive threats.” This may cause reciprocal counter-responses which lead to increased regional tensions, diminished security and “self-fulfilling prophecies about the danger of one’s security environment.”^{xxi} As a consequence, one could expect to see the emergence of spirals of tension. For Christensen, when looking at East Asia, there are many variables which make the development of a security dilemma likely. “Not only could dramatic and unpredictable changes in the distribution of capabilities ... increase uncertainty and mistrust, ... the importance of sea-lanes and secure energy supplies to almost all regional actors could encourage a destabilising competition to develop power projection capabilities on the seas and in the skies.” Power projection capabilities are usually seen as “offensive threats” and “are more likely to spark spirals of tension than weapons that can defend only a nation’s homeland.”^{xxii}

If we look at East Asia today, it is not hard to see a China-Japan and a China-US security dilemma functioning. China’s military modernisation has certainly led to the US increasing its support for Japan as well as bolstering its own military presence in the region. Under the ‘rebalance’, US forces are projected to increase steadily to reach the target of having 60% of

air and naval assets deployed in the Pacific by 2020. Many of these assets will be the most advanced in the US' arsenal.^{xxiii} This, in turn, is causing China to seek to further its military capabilities leading to increased mistrust, heightened threat perceptions, and further counter-responses. These all aggravate the prevailing security dilemma and cause tensions to spiral further.

The effects of the absence of a collective security system in East Asia, and the problems associated with those existing sub-regional mechanisms, have given rise to a rather distinct form of the security dilemma as it pertains to China and the US. This is one "in which each country has selfishly acted in its own interests and thereby inflicted greater insecurity on the region. Specifically, ... [it] has manifested itself in two distinguishable ways: one in conflicts of interest in the Sino-US relationship, and the other in the relationship between these two big nations and other smaller countries."^{xxiv}

Mistrust; spirals of tension; conflicts of interest between China and the US; and matters surrounding Sino-US relationships with smaller regional states, are all manifest in, and affected by, maritime territorial disputes and issues over freedom of navigation and overflight. Such disputes and issues have included the standoff between China and the Philippines over Second Thomas Shoal in the South China Sea; clashes between Chinese and Vietnamese vessels in waters near the Paracel Islands after a Chinese oil drilling rig was moved there; repeated intrusions by Chinese aircraft and vessels into Japanese airspace and Japanese-administered waters around the Senkaku Islands (known as the Diaoyu by China); and the near collision between a Chinese J-11 fighter and a US P-8 *Poseidon* ASW and surveillance aircraft close to Hainan Island.

Such 'incidents at sea' have been increasing in number. The concern has been that there is a heightened risk of conflict eventuating from either accidents or miscalculations, or from the need to be seen to be enforcing one's position. Indeed, it has apparently become ever more difficult for states to back down. In the wake of the P-8 incident it was reported that the Chinese had called for the US to cut back (and eventually stop) such surveillance flights; flights which China has long been unhappy with. The US has clearly stated, however, that it has no intention of so doing saying that such flights are justified because of the lack of transparency surrounding the military build-up by China. The upshot of all this is that the prevailing security dilemma is made more acute.

Once a security dilemma exists, it is very hard to escape from it unless "empathy" among the participants can be created and effective "multilateral regimes and forums designed to increase transparency and build confidence" can be established.^{xxv} Whilst it does not seem that empathy is going to be created any time soon, there do appear to be new efforts to establish confidence-building measures (CBMs): no doubt motivated by concerns about the heightened risk of conflict. Among these various CBMs are the resumption of talks between China and Japan on the setting up of a 'maritime communication mechanism'; agreement

between China and Vietnam to seek to “address and control” maritime disputes; and the two agreements between President Xi and President Obama at the November 2014 APEC leaders’ summit on the notification of major military exercises and on the rules of behaviour for air and sea encounters.

Whether or not these various CBMs and efforts to reduce the risk of conflict arising from either accident or miscalculation will actually be effective remains to be seen. That they are unlikely to mitigate the prevailing security dilemma, given the power struggle which is currently occurring in East Asia, seems rather more certain in light of the continued unwillingness to compromise and make concessions.

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ⁱ *The Military Balance 2014*, p.204.

ⁱⁱ *Ibid.*, p.205.

ⁱⁱⁱ *Ibid.*, pp.208-09. At the time it was published *The Military Balance 2014* observed that the Type-095 submarine had not yet appeared, however, in December 2013 one of the boats was reported to have passed through the Malacca Strait on the surface en route to the Indian Ocean. “Deep Threat. China’s Submarines Add Nuclear-Strike Capability, Altering Strategic Balance”, *WSJ Online*, 24, October 2014, <http://online.wsj.com/articles/chinas-submarine-fleet-adds-nuclear-strike-capability-altering-strategic-balance-undersea-1414164738> (accessed 4 November 2014).

^{iv} *The Military Balance 2014*, p.201.

^v “Japan Builds Response to Chinese Area-Denial Strategy”, *Defense News*, 26 October, 2014, <http://www.defensenews.com/article/20141026/DEFREG03/310260020/Japan-Builds-Response-Chinese-Area-Denial-Strategy> (accessed 4 November 2014).

^{vi} “Pacific Powers Build Capability, Warily Eye Neighbours”, *Defense News*, 26 October, 2014, <http://www.defensenews.com/article/20141026/DEFREG03/310260019/Pacific-Powers-Build-Capability-Warily-Eye-Neighbor-Countries> (accessed 31 October, 2014).

^{vii} *The Military Balance 2014*, p.294

^{viii} *Ibid.*

^{ix} *Ibid.*

^x “Vietnam building deterrent against China in disputed seas with submarines”, *Reuters*, 7 September, 2014, <http://www.reuters.com/article/2014/09/07/us-vietnam-submarines-china-insight-idUSKBN0H20SF20140907> (accessed 4 November, 2014).

^{xi} Michael McDevitt cited in “China’s ‘Security Dilemma’ Risks Arms Race in Asia”, *TIME.com*, 16 May, 2012, <http://nation.time.com/2012/05/16/chinas-security-dilemma-risks-arms-race-in-asia/print/> (accessed 4 January, 2013).

^{xii} *Ibid.*

^{xiii} *The Military Balance 2012*, p.205.

^{xiv} Dennis C. Blair, “Military Power Projection in Asia” in Ashley J. Tellis, Mercy Kuo, and Andrew Marble (eds.), *Strategic Asia 2008-09. Challenges and Choices* (Washington, DC: The National Bureau of Asian Research, 2008), p.392.

^{xv} “Indonesia military worries over Asia arms race, territorial tensions”, *Reuters*, 3 April, 2014,

<http://www.reuters.com/article/2014/04/03/us-indonesia-military-idUSBREA320GD20140403> (accessed 3 October, 2014).

^{xxvi} Colin Gray, “The Arms Race Phenomenon”, *World Politics*, XXIV, 1971, p.40. Gray then breaks this down into four “basic conditions” that “must [all] be present for there to be any valid assertion that a particular relationship is an arms race.” See Gray, *op. cit.*, p.41

^{xxvii} Barry Buzan & Eric Herring, *The Arms Dynamic in World Politics* (Boulder/London: Lynne Reiner, 1998), p.80.

^{xxviii} The term arms ‘buildup’ could also be employed since Buzan and Herring see this as being a “near synonym for arms competition”. *Ibid.*, p.81.

^{xxix} Nicholas J. Wheeler and Ken Booth, “The Security Dilemma”, in John Baylis & N. J. Rengger (eds.), *Dilemmas of World Politics* (New York: Oxford University Press, 1992), p.30.

^{xxx} Barry Buzan, *An Introduction to Strategic Studies: Military Technology and International Relations* (London: Macmillan/International Institute for Strategic Studies, 1987), p.78.

^{xxxi} Thomas J. Christensen, “China, the U.S.-Japan Alliance, and the Security Dilemma in East Asia”, *International Security*, Vol.23, No.4 (Spring 1999), p.49-50.

^{xxxii} *Ibid.*, p.50.

^{xxxiii} See Namrata Goswami, “Power Shifts in East Asia: Balance of Power vs. Liberal Institutionalism”, *Perceptions*, Spring 2013, Volume XVIII, Number 1, pp.3-31 and Chuck Hagel, Secretary of Defense, US, *The 13th IISS Asia Security Summit The Shangri-La Dialogue, First Plenary Session The United States’ Contribution*

To Regional Stability, Saturday 31 May 2014.

^{xxxiv} Zheng Yongnian, “China-US Relations and Asia’s Security Dilemma”, *China US Focus*, 22 January, 2012, <http://www.chinausfocus.com/print/?id=13162> (accessed 3 October, 2014).

^{xxxv} Christensen, *op. cit.*, p.71.