

## Strategic Affairs in the Asia Pacific

### Background

- 2.1 The delegation itinerary included a series of discussions with ‘think tanks’ and academics from institutions devoted to international relations and national strategy. These included The RAND Corporation, the US Army Strategic Studies Institute and with academics from the American Enterprise Institute and the Centre for Strategic and International Studies in Washington D.C.

### RAND Corporation

- 2.2 The RAND Corporation is a non-profit research organization. It is arguably the world’s first and pre-eminent ‘think tank’. RAND aims to provide objective analysis and effective solutions that address the challenges facing the public and private sectors around the world.
- 2.3 For more than 50 years, the RAND Corporation has pursued its non-profit mission by conducting research on important and complicated problems. Initially, RAND (the name of which was derived from a contraction of the term *research and development*) focused on issues of national security. Eventually, RAND expanded its intellectual reserves to offer insight into other areas, such as business, education health, law, and science. RAND's approach to problem solving has become the benchmark for other think tanks that followed.
- 2.4 The RAND Center for Asia Pacific Policy provides expertise on critical issues facing Asia and US-Asia relations. Decision makers and opinion leaders in the United States, Asia and throughout the world rely on RAND analysts for non-partisan, objective advice on Asia's greatest challenges.

- 2.5 The delegation met with Mr. William H. Overholt, the Asia Policy Chair at RAND. The meeting took place at RAND's new purpose built facility at Santa Monica California.
- 2.6 Mr Overholt provided the delegation with a range of insights about the US and Australian positions in the Asia Pacific region. He spoke at length about the relationship between the US and Japan and China. Significantly these discussions at RAND equipped the delegation well for the numerous views about the US - China relationship expressed to the delegation throughout their travels in the US.

## The Strategic Studies Institute

- 2.7 The Strategic Studies Institute (SSI) is the U.S. Army's institute for geo-strategic and national security research and analysis. It forms part of the US Army War College. SSI conducts strategic research and analysis to support the War College curricula, provides direct analysis for US Army and Department of Defense leadership, and serves as a bridge to the wider strategic community.
- 2.8 Australia traditionally exchanges students with the War College. The student this year is Colonel Jeff Sengleman, a Special Forces Officer.
- 2.9 SSI is composed of civilian research professors, uniformed military officers, and a professional support staff. All have extensive credentials and experience. SSI is divided into three components: the Art of War Department focuses on global, trans-regional, and functional issues, particularly those dealing with Army transformation; the Regional Strategy and Planning Department focuses on regional strategic issues; and the Academic Engagement Program creates and sustains partnerships with the global strategic community. In addition to its organic resources, SSI has a web of partnerships with strategic analysts around the world, including the foremost thinkers in the field of security and military strategy. In most years, between a third and a half of SSI's publications are written by these external partners

Figure 2.1 The delegation with the staff of the Strategic Studies Institute, Carlisle Pennsylvania



## US China Relationship

- 2.10 RAND and SSI described two conflicting views that underpin US strategic discussion on China. These can be broadly summarised as viewing China as either the 'threat of the future or the prize of the future'.
- 2.11 In the first view, held by many members of the US Legislature, China is seen as a rising power that will inevitably clash with the established global power in every aspect of competition – including military. This theory is based on the 19<sup>th</sup> and 20<sup>th</sup> Century European model in which great powers inevitably clash when a rising power seeks to impose its will on the established power.
- 2.12 In the second view of the US – China relationship, which RAND believe to be held by the Bush Administration, common interests that flow from trade and extensive engagement will over time bring the two powers closer together, making conflict highly unlikely. The US Department of Defence, an arm of the Executive Branch of Government clearly shares this view. Both Pacific Command and the Department officials at the Pentagon, in discussions with the delegation, confirmed the military's prudent preparedness for conflict but expectation that conflict was unlikely with China.
- 2.13 RAND observed that the US Congress appears determined to push the Bush administration away from China. At the same time it could be argued that China is more aligned with the US on free trade than the other

major Asian power Japan, which remains closer to the view held by Europe. Equally RAND suggest that the 20th Century military alliance with Japan in the Pacific ignores the reality of an emerging 21<sup>st</sup> Century social and economic alliance with China.

- 2.14 The extent to which China has become the focus of policy debate in the US was a significant observation for the delegation. While arguably Japan was the focus of US interest in the early years of the Bush administration, RAND argues that the President has moved further toward China than any of his predecessors. However, many members of the Legislature appear not to share the President's view and significant reservations about China's emergence remain.

## US Japan Relations

- 2.15 The extensive discussion of the US China relationship at RAND and SSI were almost always linked to the state of the US alliance with Japan. Japan's position in US strategic consideration was described as being either black or white. For example in the early part of the 20<sup>th</sup> Century Japan was considered an important ally in limiting the expansion of Russia into the Pacific. By the middle of the century Japan was the villain as it sought to secure resources and markets in the Pacific that threatened US power. By the end of the century Japan was again a key ally, first in the cold war containment of the Soviet Union, and later as part of a loose policy to shape the emergence of modern China.
- 2.16 The delegation was briefed by Mr Bill Overhalt at RAND on the emergence of the Japanese Right, which he believed was determined to "resist becoming a little Britain for the US in the Pacific". The same group would prefer an independent Taiwan and would resist moves to unify the Korean Peninsular. This group is therefore at odds with the Bush Administration. On the other hand RAND briefed that the current Japanese leadership are increasingly concerned about the emergence of China and are moving quickly to refresh their alliance with the US, including by carefully embracing a security role in the region. The challenge for the US is to avoid being caught up in Japanese local politics, instead seeking to step back to look for common strategic objectives.
- 2.17 It was suggested to the delegation that the Australia US alliance may be being used by the US to benchmark their alliance with Japan. This in part explains the rapid changes being seen in the Japanese security role in the region and globally. It also suggests a synergy from the cooperation between the Japanese engineers in southern Iraq and their Australian

security force that may not have been evident at the time of the deployment.

## Indonesia

- 2.18 The delegation questioned whether the US appears to be missing an opportunity to engage with a newly democratic Indonesia. Both Pacific Command and the Department officials at the Pentagon were aware of this deficiency but are impeded from acting to improve the situation by legislative bans imposed by the Congress. The lack of US defence engagement with the third largest democracy in the world and the world's largest Muslim nation is a potential weakness in Pacific security affairs.
- 2.19 The delegation raised the question of Indonesia, and more specifically the legislative restrictions on US Defence engagement with Indonesia, with the Chair of the sub-committee on East Asian and Pacific Affairs of the Senate Committee on Foreign Relations, Senator Murkowski. Senator Murkowski acknowledged the deficiency, stating in her view that it may be largely due to a lack of understanding of Indonesia by members of the Congress. The delegation suggested that US re-engagement with Indonesia was an area in which Australia could assist both parties and is therefore a key observation made by the delegation during its travels.

## US India Relations

- 2.20 India was characterised to the delegation, by the Defence officials at the Pentagon, as the 'biggest mover in US foreign policy'. It has taken some time but India has been 'de-hyphenated' from Pakistan (the India - Pakistan relationship) and is now being considered as a significant ally in its own right. The US officials clearly understood the importance of India as the world's largest democracy and as also containing one of the largest moderate Muslim populations in the world.
- 2.21 While India is clearly worthy of individual attention from the US the challenge for US officials is to develop the bilateral relationship with India while remaining a partner with Pakistan in the Global War on Terror. While progress has been made most officials in the US regard this balance as largely unresolved.
- 2.22 While India may have been "de-hyphenated" from Pakistan many officials now see India as being a balance to an emerging China. The strengthening US relationship with India was described by the SSI as being part of an informal process of channelling China's power. US economic interests in

both India and China were acknowledged as being too important for overt or military containment, but subtle and less militant shaping were assessed as offering significant long term benefit.

- 2.23 RAND also offered some insight into the Indian perspective of the impact of the emergence of Chinese economic and military power. The delegation was briefed that Indian officials had briefed RAND that China's economic success has been a source of great confidence and motivation for India. India, with its highly educated work-force, regards itself as better placed to compete in the global market place than most sectors of the Chinese economy.