Racing toward Tragedy?

China's Rise, Military Competition in the Asia Pacific, and the Security Dilemma

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Throughout the post–Cold War period, scholars and policymakers have widely considered the Asia Pacific "ripe for rivalry" and at risk of intensifying military competition.[1] Developments over the past decade have deepened these expectations. A changing distribution of material capabilities owing primarily to China's rise, coupled with regionwide economic growth, surging military spending, and military modernization, seems to have created an even more volatile climate and a potentially vicious cycle of arming and rearming. Together, the pace and scale of change create uncertainty about the future, which in turn exacerbates extant insecurities. In a reflection of these regional trends, many observers suggest that an arms race is under way in the Asia Pacific, and some point to the security dilemma as driving this competition. But is this the case? What are the forces driving the intensification of military competition in the region?

In the past, several cases of rising powers, rivalries between major powers, and arms races fomented "hot" or "cold" wars that were financially costly and devastating for international peace, stability, and the global economy.[2] Were ei-

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1. Aaron L. Friedberg, "Ripe for Rivalry: Prospects for Peace in a Multipolar Asia," *International Security*, Vol. 18, No. 3 (Winter 1994/93), pp. 5–33. Two decades later, Friedberg described Asia as experiencing a "struggle for mastery." See Aaron L. Friedberg, *A Contest for Supremacy: China, America, and the Struggle for Mastery in Asia* (New York: W.W. Norton, 2012). Past scholarship examining security dilemmas in the Asia Pacific includes Thomas J. Christensen, "China, the U.S.-Japan Alliance, and the Security Dilemma in East Asia," *International Security*, Vol. 23, No. 4 (Spring 1999), pp. 49–80; Thomas J. Christensen, "The Contemporary Security Dilemma: Preventing Conflict across the Taiwan Strait," *Washington Quarterly*, Vol. 25, No. 4 (Autumn 2002), pp. 7–21; Seiichiro Takagi, "Reisengo No Nichibei Domei To Hokuto Ajia—Anzen Hosho Jirenmaron No Shiten Kara" [Post–Cold War Japan-U.S. alliance and Northeast Asia—From the perspective of security dilemma theory], *Kokusai Mondai*, September 1999, pp. 2–15; and Sahoko Shiga, "The Security Dilemma and the Strategic Triangle in East Asia after the Cold War," M.A. thesis, Harvard University, 2002.

2. The dangers and instabilities generated by rising states and power transitions, or what E.H.

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ther type of conflict to occur in the Asia Pacific today, its effects could be disastrous for the region and impose catastrophic costs on the global economy and international order. Yet China's growing power and regional relationships, marked by widespread uncertainties and insecurities about the future, appear to be important facts of life in the contemporary Asia Pacific. Political frictions and mistrust among major actors in this unfolding drama are exacerbating the effects of objectively measurable and rapid material shifts. To make matters worse, long-standing disputes over maritime boundaries and territorial claims, not to mention history, fester. For evidence of the disturbing trend line, in 2012 aggregate military spending in Asia surpassed that of Europe for the first time in modern history.[3]

At the center of this drama is the rise of China and China's relationship with the United States. Rapid economic growth across the Asia Pacific and China's surging investment in military power—itself aimed in large part at mitigating the military superiority of the United States and some key U.S. allies—have been central drivers of Washington's so-called rebalance toward the Asia Pacific. In response, Beijing cries foul, bemoans alleged U.S. efforts to "contain its peaceful rise"—a popular meme in Chinese commentary on U.S. strategic intentions toward Asia—further ramps up its military spending and bolsters its warfighting capabilities. A vicious, unavoidable, and tragic action-reaction cycle is born.

Or is it? Given the apparently increasing volatility of the contemporary Asia Pacific, a key question for scholars and policymakers is whether states in the region can find ways to engage in strategic restraint, peacefully address conflicts of interests, and manage nascent rivalries amid China's rapid rise. Or are these actors merely players in a structurally determined tragedy, inevitably locked in a web of escalating hostility and arms competition?

To begin to answer this question, we examine the evolving patterns of military competition in the Asia Pacific and explore the underlying drivers. We focus primarily on assessing the extent to which worsening regional dynamics flow from one possible major driver of nascent competition: emerging security

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Carr has called the "problem of peaceful change," are the subject of a rich and wide-ranging literature. For classic statements, see Carr, *The Twenty Years Crisis, 1919–1939: An Introduction to the Study of International Relations* (New York: Harper and Row, 1964), pp. 208–223; A.F.K. Organski and Jacek Kugler, *The War Ledger* (Chicago: University of Chicago Press, 1980); and Robert Gilpin, *War and Change in World Politics* (Cambridge: Cambridge University Press, 1981).

3. Myra MacDonald, "Asia's Defense Spending Overtakes Europe's: IISS," Reuters, March 14, 2013.

dilemmas brought about by the combination of an anarchic international system and China's rapidly growing material power and military capabilities. Security dilemmas are situations in which both sides have defensive, or status quo, intentions and would prefer to avoid costly and destabilizing competition and mutual arming.[4] Yet because of insecurity and uncertainty about the other's true intentions, each side concludes that it has no alternative. The result is a costly and potentially disastrous action-reaction sequence that could be mitigated if only both sides were able to engage in more credible restraint and signal their defensive intentions. Yet under anarchy this is difficult to do.

The article argues the following. First, there is already some evidence of security dilemma–driven military competition in the Asia Pacific, which could worsen significantly in the near future. These dynamics manifest despite the available evidence showing that the region is not now engaged in a full-scale arms race. Second, our empirical analysis finds that the security dilemma is not the only cause of action-reaction-type military buildups taking place today. In several cases, military competition is also, or primarily, driven by clearly identifiable conflicts of interest where one or both sides is/are perceived by the other to seek de facto changes to, not maintenance of, the status quo. The distinction between these dynamics and security dilemma–driven action-reaction spirals has both theoretical and practical significance. Third, we argue that "arming"—traditionally conceived of as defense budget increases and quantitative arms buildups—is not the only type of state behavior that can cause or be fueled by a security dilemma. Specifically, both government rhetoric and many of the measures that states are adopting to enhance their military capabilities, while in most cases stopping short of full-scale quantitative arms buildups, can also affect assessments of one another's intentions and thus create or exacerbate an existing, destabilizing spiral. Fourth, one or both sides could adopt policies to ameliorate extant security dilemmas. Although not panaceas, these measures could reduce the perceived need for mutual arming, in addition to significantly reducing the risks of miscalculation or unintended escalation.

This article is structured as follows. First, we briefly examine contemporary affairs in the Asia Pacific, noting that a number of recent developments sug-

4. Arguably the two most influential works on the security dilemma are John H. Herz, "Idealist Internationalism and the Security Dilemma," *World Politics*, Vol. 2, No. 2 (January 1950), pp. 157–180; and Robert Jervis, "Cooperation under the Security Dilemma," *World Politics*, Vol. 30, No. 2 (January 1978), pp. 167–214.

gest that the region is ripe for, or may already be experiencing, severe security dilemma–driven dynamics, even arms races. Second, we lay out the basic propositions of security dilemma theory, generating models with which to empirically investigate potential security dilemma dynamics unfolding in the region and to distinguish them from other types of action-reaction dynamics. We summarize existing research on how to ameliorate the security dilemma and present two basic models of military competition, each with different implications for policy. Third, based on the above theoretical elaborations of the security dilemma, we construct an empirical test to evaluate the drivers of contemporary military competition in the Asia Pacific. Fourth, we provide an empirical survey of the causes and consequences of military competition in the region, assessing the extent to which the security dilemma logic is at work. Finally, we reflect on the implications of our findings for security dilemma theory and its applicability to the contemporary Asia Pacific. We close with a brief discussion of measures that states in the region could adopt to mitigate and to more effectively manage military competition in a manner that can limit costs, instability, and the likelihood of escalation to war.

China's Rise and Worsening Military Competition in the Asia Pacific

The Asia Pacific is a region in geopolitical transition. For decades, regional stability has been maintained primarily through a U.S.-led alliance system. Since the turn of the millennium, however, the shifting political and economic terrain has led many observers to expect an upsurge in military competition, arms races, and the possibility of a catastrophic military conflict.

The rapid transformation of the region is not exclusively a story about China. Indeed, the economies and militaries of the countries in Southeast Asia, as well as China's large neighbors India and Russia, have also experienced rapid growth. Meanwhile, U.S. allies South Korea and Australia are significantly strengthening their militaries and becoming increasingly active players in regional security. For its part, Japan remains the world's third-largest economy, has considerable wealth and military capabilities, and has begun to gradually increase its defense spending. More generally, Japan's traditionally low-key security profile appears to be undergoing changes of potentially immense long-term significance.

Yet the rapid rise of China, the resulting shift in the distribution of regional material capabilities, and uncertainty about China's future trajectory are arguably the main forces driving concerns about possible arms races, now or in the

future. In 2010 China became the world's second-largest economy. Its official defense spending has nearly quintupled in nominal renminbi terms since 2002 and now ranks second only to that of the (globally distributed) U.S. military. China's defense spending remains largely constant as a percentage of its (rapidly growing) gross domestic product, though that long-term trend has reversed itself for the last several years, including a twice-as-fast projected increase in 2014.[5] Widespread concerns about the objective reality of China's rapidly increasing military capabilities are exacerbated by its low military transparency, which deepens general uncertainty and specific worries about its capabilities and intentions.

China's worsening relations with its neighbors may exemplify the challenge that any state with such rapidly increasing material capabilities has in signaling restraint. As China's leaders state, Beijing may be modernizing its military forces primarily to compensate for decades of neglect, and its leaders may sincerely view its policies toward its neighbors as reactive and defensive. Yet the more important point is that regardless of China's actual intentions, to other states the objective reality of Beijing's growing military power, coupled with its rapidly expanding military capabilities and recent policies vis-à-vis disputed territory and features on its periphery, appear provocative and newly "assertive," even aggressive.[6] As a case in point, however controversial and destabilizing, China's vast claims over islands and features in the South and East China Seas predate its current "rise" by decades. Yet as China's military capabilities grow, Beijing is increasingly capable of asserting these claims in a manner that it was unable to only a few years ago. Similarly, the growing frequency and geographical scope of its patrols and exercises worsen tensions by creating far more opportunities for a clash or incident, as Chinese

5. Adam P. Liff and Andrew S. Erickson, "Demystifying China's Defence Spending: Less Mysterious in the Aggregate," *China Quarterly*, Vol. 216 (December 2013), pp. 805–830; and Andrew S. Erickson and Adam P. Liff, "The Budget This Time: Taking the Measure of China's Defense Spending," *ASAN Forum*, Vol. 2, No. 2 (April 2014), http://www.theasanforum.org/the-budget-this-time-taking-the-measure-of-chinas-defense-spending/.

6. "China Taking 'More Aggressive' Stance at Sea a Cause for Concern, Mullen Says," Agence France-Presse, July 25, 2010. Japan's 2011 white paper called China's behavior toward its neighbors "assertive" and expressed "concern" over "China's future direction." The Chinese government dismissed these "irresponsible comments" and encouraged Japan to reflect on its own military's past. See Chris Buckley, "China Accuses Japan of Exaggerating It As a Military Threat," Reuters, August 4, 2011; and Yorhee Koh, "Japan Sharpens Rhetoric on China, Calling It 'Assertive' for First Time," *Wall Street Journal*, August 3, 2011. For a recent critique of the "assertiveness meme," see Alastair Iain Johnston, "How New and Assertive Is China's New Assertiveness?" *International Security*, Vol. 37, No. 4 (Spring 2013), pp. 7–48.

vessels and aircraft increasingly cross paths with foreign militaries in international waters.

A decade ago, China's leaders appeared far more sensitive to the dilemma their country faces as a rising power; the slogan "peaceful rise" and China's engagement and reassurance of neighboring states of its peaceful intentions encapsulated this self-awareness.[7] At least seen from Beijing, China's intentions may continue to be "peaceful" and its military policy "defensive"—both now and in the future—as its leaders often assert. Yet its future intentions are unknowable—even to the most prescient of Chinese leaders. Under anarchy and in the context of Beijing's rapid enhancement of military capabilities, this uncertainty can create or exacerbate regional instability. To the extent that China's intentions are truly peaceful and defensive, if Beijing is unable to credibly convey them, its rise is likely to increasingly elicit backlash and counterbalancing from its neighbors. The perhaps unintended result will be to worsen, rather than enhance, China's security—even to the point of self-encirclement. The net result is high costs all around—in terms of wasteful military spending and an increasingly unstable region even if a military conflict does not occur—that leave all parties worse off.

As in any strategic interaction, it takes two to tango. Indeed, the United States and its Asia Pacific security allies and partners are engaging in extensive efforts to hedge against both uncertainty and Beijing's specific policies by balancing against China.[8] Despite severe domestic pressure to reduce defense spending, Washington has enhanced what Secretary of State Hillary Clinton called "forward-deployed" diplomacy, strengthening security ties with and among its allies and partners and generally buttressing its military presence throughout the Asia Pacific.[9] Seen from Washington, the associated policies are, inter alia, a defensive reaction to China's growing power and its policies. They are intended to bolster the credibility of the long-standing role of the United States in the region as "resident power," security provider, and leader. Yet, regardless of Washington's actual intentions, the associated policies and

7. See Avery Goldstein, "An Emerging China's Emerging Grand Strategy: A Neo-Bismarckian Turn?" in G. John Ikenberry and Michael Mastanduno, eds., *International Relations Theory and the Asia-Pacific* (New York: Columbia University Press, 2003), pp. 57–106.
8. Adam P. Liff, "Whither the Balancers? Reconsidering Methods and Metrics in Contemporary Security Studies and Secondary State Military Balancing Responses to China's Rise," working paper, Princeton University, 2014.
9. Hillary Clinton, "America's Pacific Century," *Foreign Policy*, November 2011, http://www.foreignpolicy.com/articles/2011/10/11/americas_pacific_century.

rhetoric may appear threatening to Beijing and, consequently, could trigger unwanted defensive counterresponses.[10]

In short, at least on the surface, deepening political tensions and military competition unfolding in the contemporary Asia Pacific appear to be driven largely by action-reaction dynamics emblematic of a structurally driven security dilemma. Military competition, however, can have different causes and take different forms. To what extent is the Asia Pacific experiencing a security dilemma?

THE SECURITY DILEMMA IN THEORY

The security dilemma is a type of insecurity dynamic between states that foments military competition and arms races, even wars, that each state would prefer to avoid if only it could receive credible commitments of the other side's peaceful, or status quo, intentions.[11] It is a consequence of an anarchic, decentralized, and uncertain strategic environment. The states involved are not pursuing offensive or revisionist security strategies and do not seek domination or conquest; rather, they are status quo security-seekers.[12] Both sides would prefer to spend limited resources improving domestic welfare and engaging in other nonmilitary pursuits. Yet mistrust and uncertainty about intentions lead one side to interpret the other's defensive measures as offensive—and therefore threatening. The other side responds in kind. This interaction inadvertently stimulates a tragic action-reaction spiral of military competition that leaves both sides poorer and less secure.

Scholars have used the security dilemma, a foundational concept in international relations theory, to explain some of the most consequential (and tragic) developments of the modern era, including the origins of World War I and patterns of conflict and cooperation during and after the Cold War.[13] Some schol-

10. A former vice minister at the Chinese ministry of foreign affairs warns, "Should this ill-thought-out policy of rebalancing continue and the security environment worsen, an arms race would be inevitable." See He Yafei, "The Trust Deficit: How the U.S. 'Pivot' to Asia Looks from Beijing" *Foreign Policy*, May 13, 2013, http://www.foreignpolicy.com/articles/2013/05/13/how_china_sees_the_us_pivot_to_asia.

11. For the classic statement of the security dilemma, see Herz, "Idealist Internationalism and the Security Dilemma," p. 157. See also John H. Herz, *International Politics in the Atomic Age* (New York: Columbia University Press, 1959), pp. 231–243.

12. The distinction between revisionist and status quo states is well established in the literature. Status quo powers seek to preserve and protect values they already possess, whereas revisionist powers, as Randall L. Schweller notes, "value what they covet more than what they possess. . . . They will employ military force to change the status quo and to extend their values." See Schweller, "Bandwagoning for Profit: Bringing the Revisionist State Back In," *International Security*, Vol. 19, No. 1 (Summer 1994), p. 105. Gilpin identifies revisionist states as those that aim at "systemic change," that is, changes relating to the rules of diplomacy, security arrangements, and the hierarchy of prestige. See Gilpin, *War and Change in World Politics*, p. 34.

13. See Robert Jervis, "Was the Cold War a Security Dilemma?" *Journal of Cold War Studies*, Vol. 3,

ars have argued that NATO and the U.S. military presence have served to "pacify" old European rivals, providing security and reducing the uncertainty and mistrust that would otherwise spark security dilemma–driven competition and conflict.[14] In the Asia Pacific, the U.S.-Japan alliance has arguably ameliorated security dilemma–driven competition by reducing Japan's desire to invest heavily in a major military buildup, a development that, even if seen by Tokyo as defensive, might trigger destabilizing countermeasures from its neighbors, especially China.[15]

Past scholarship has sought to identify circumstances and variables that create or intensify the security dilemma. Robert Jervis's seminal study provides the most sophisticated and elegant statement of the theory.[16] Jervis identifies the difficulty of distinguishing between offensive and defensive postures—and weapons—as the most important variable affecting the incidence and intensity of the security dilemma. A secondary variable is the degree to which the technologies associated with offensive weapons give the state that possesses them an advantage in war. Jervis argues that the security dilemma will be in full evidence and its consequences most disastrous when states cannot distinguish between offensive and defensive forces—and when the offense has the advantage. On the other hand, the distinguishability of offensive and defensive forces and the defense having the advantage is stabilizing and facilitates opportunities for agreements that buttress mutual security. Between these two extremes, other possibilities exist. Jervis's key insight, however, is that the more difficult it is for states to distinguish between the offensive and defensive measures of adversaries, the greater the intensity of the security dilemma will be.

In another effort to explain the logic of the security dilemma, Charles Glaser examines the character of the adversarial states and the importance of subjective perceptions in determining outcomes.[17] In Glaser's view, the key variable

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No. 1 (Winter 2001), pp. 36–60; Jack L. Snyder, "Perceptions of the Security Dilemma in 1914," in Robert Jervis, Richard Ned Lebow, and Janice Gross Stein, eds., *Psychology and Deterrence* (Baltimore, Md.: Johns Hopkins University Press, 1985), pp. 153–179; Melvyn P. Leffler, *A Preponderance of Power: National Security, the Truman Administration, and the Cold War* (Redwood City, Calif.: Stanford University Press, 1992); Raymond L. Garthoff, *Détente and Confrontation: American-Soviet Relations from Nixon to Reagan*, rev. ed. (Washington, D.C.: Brookings Institution Press, 1994); and Alan Collins, *The Security Dilemma and the End of the Cold War* (New York: St. Martin's, 1997).

14. Josef Joffe, "Europe's American Pacifier," *Foreign Policy*, No. 54 (April 1984), pp. 64–82. See also Stephen G. Brooks, G. John Ikenberry, and William C. Wohlforth, "Don't Come Home, America: The Case against Retrenchment," *International Security*, Vol. 37, No. 3 (Winter 2012/13), pp. 7–51.

15. Christensen, "China, the U.S.-Japan Alliance, and the Security Dilemma in East Asia."

16. Jervis, "Cooperation under the Security Dilemma."

17. Charles L. Glaser, "The Security Dilemma Revisited," *World Politics*, Vol. 50, No. 1 (October 1997), pp. 171–201.

is a state's knowledge of the other state's motives. Does it perceive the rival state as a "security seeker" or as a "greedy state," seeking to fulfill its revisionist intentions through a military buildup and associated policies? The security dilemma cannot be the source of military competition where a greedy state is present because, by definition, such states do not seek maintenance of the status quo. Distinguishing between security-seeking states and greedy states, however, is difficult under international anarchy. Consequently, states may engage in worst-case scenario planning, potentially triggering security dilemma–driven action-reaction spirals.

Glaser's formulation is useful for assessing current circumstances in the Asia Pacific for two reasons. First, his distinction between status quo and greedy states suggests that security dilemmas occur primarily between states whose interests are otherwise largely aligned and that have a shared interest in avoiding war. In contrast, if a conflict or action-reaction military competition is a direct consequence of a clash over specific material interests (e.g., territory), then security dilemma theory is less relevant, despite a similar observed outcome: mutual arming. Second, Glaser's other variable—unit-level knowledge of the other state's motives (i.e., information)—is relevant when thinking about the impact on security dilemma dynamics of varying levels of military transparency and possible crossed signals—that is, sincere misunderstandings concerning the intentions of particular policies—especially the role that both can play in exacerbating extant uncertainty and mistrust.

We offer two further refinements of the theory and its practical consequences in the real world. First, as Glaser suggests, not all conflicts or arms races are driven by security dilemmas between status quo actors concerned only about security. In addition to concrete conflicts of interest, states may increase investments in military power for other, nondefensive (but also nonrevisionist) reasons—for example, domestic politics or pursuit of coveted, yet abstract, international prestige or status. Yet such investments, even if not initially motivated by external threats, can create or exacerbate a security dilemma. To the extent such buildups are driven primarily by internal factors, there may be no mutually acceptable bargains that would satisfy one or both sides' concerns and eliminate the need for further investments in military power.[18]

Second, although related scholarship tends to focus on the most conspicu-

18. See Randall L. Schweller, "Neorealism's Status-Quo Bias: What Security Dilemma?" *Security Studies*, Vol. 5, No. 3 (Spring 1996), pp. 90–121.

ous, and often easily quantifiable, metrics (e.g., surging defense spending or immensely costly arms procurement decisions—think the Cold War or Wilhelmine Germany's naval buildup, respectively—or the formation of new alliances), we argue that two less conspicuous, measures that states can adopt may also trigger or intensify security dilemmas through the same basic mechanism: generating insecurity in others.[19]

To begin, borrowing from recent scholarship critiquing the balancing literature, we expand the scope of the metrics typically employed in scholarly debates on the security dilemma to include a broader selection of internal and external policy measures aimed at enhancing a state's military capabilities.[20] Indeed, various military force development and force employment measures aimed at enhancing military capabilities often overlooked in the existing literature can significantly influence a state's perceptions of its would-be adversary's intentions. Such measures include qualitatively improving military capabilities through modernization, innovation, or rationalization; transforming force structure or posture to confront changing threats; tightening military ties with other states short of new, formal mutual defense pacts through joint exercises and training, hosting or rotating foreign forces, collocating military facilities, expanding interoperability and joint contingency planning, and sharing intelligence and military technology.[21] In addition, we argue that independent of shifts in material power, leadership rhetoric and political statements can generate insecurity in others. For example, statements seen by one side as supporting the status quo may be interpreted by the other party as offensive and threatening.

AMELIORATING THE SECURITY DILEMMA

Can anything be done to ameliorate security dilemmas? Because the fundamental cause of the security dilemma is the anarchic character of world politics, no absolute solution to the problem seems to exist. Yet situational variables, even assessments of intentions based on specific policies and rhetoric, can significantly affect the intensity of security dilemma–driven action-

19. The security dilemma literature does hint at the importance of state actions that go beyond arming, including alliance building and forward deployment of forces. See Glenn H. Snyder, "The Security Dilemma in Alliance Politics," *World Politics*, Vol. 36, No. 4 (July 1984), pp. 461–495; and Charles L. Glaser, *Rational Theory of International Politics: The Logic of Competition and Cooperation* (Princeton, N.J.: Princeton University Press, 2010), p. 60.
20. Liff, "Whither the Balancers?"
21. Ibid.

reaction dynamics. A state might be willing to forgo, or at least limit, a new round of arms building given credible assurances. Even without a supranational authority to enforce binding agreements, an iterative diplomatic process might lead to reciprocal steps to refrain from bolstering military capabilities that would otherwise ignite a new cycle of unwelcome and costly action and reaction.[22]

Past scholarship has explored ways to ameliorate the security dilemma, focusing primarily on steps to increase transparency and reassurance. These measures are not panaceas, but to the extent they reduce anarchy-induced uncertainty, they are worth considering. First, sharing information about each side's interpretations of the other's actions can facilitate recognition of the dilemma in which the states find themselves, as well as the opportunity costs. It can also mitigate the possible fallacy that bolstering military capabilities will lead to a commensurate increase in security—or perhaps even more useful, show that current policies increase both sides' insecurity and the likelihood of a catastrophic clash.[23] Second, in circumstances where intentions are truly status quo, increasing transparency about capabilities and decisionmaking can reduce tensions.[24] Absent credible alternative explanations, the other state's default response is often to assume—and to plan for—the worst. Third, diplomatic mechanisms for bargaining may ameliorate security dilemma–driven competition by establishing an ongoing process for leaders to explain their policies and establish a basis for restraint-oriented reciprocity. Finally, the wider strategic setting in which states operate can make a difference. As Jervis argues, if diffuse gains are possible from cooperation in the military and other domains—gains that are put at risk in a security dilemma–driven competition—illuminating these potential mutual benefits may alter leaders' cost-benefit calculations, reducing tensions and increasing trust through cooperation in other areas.[25]

It is tempting for scholars to argue that security dilemma conflicts are easier

22. The classic discussion of the problems and opportunities for cooperation under the security dilemma is Jervis, "Cooperation under the Security Dilemma." See also Robert Axelrod and Robert O. Keohane, "Achieving Cooperation under Anarchy: Strategies and Institutions," in David A. Baldwin, ed., *Neorealism and Neoliberalism: The Contemporary Debate* (New York: Columbia University Press, 1993), pp. 85–115.
23. See Dan Lindley, *Promoting Peace through Information: Transparency as a Tool of Security Regimes* (Princeton, N.J.: Princeton University Press, 2007).
24. This assessment is consistent with Glaser's focus on the degree of "unit-level knowledge of the state's motives." See Glaser, "The Security Dilemma Revisited," p. 174.
25. Jervis, "Cooperation under the Security Dilemma."

to resolve than other sorts of security conflicts, as the states involved would—if they could overcome uncertainty and enforcement problems—opt for lower levels of military spending and arms competition. Other types of security competition are rooted in less diplomatically tractable causes—revisionist ambitions, domestic politics, pursuit of prestige, and more fundamental clashes of interests. Yet security dilemma conflicts are not necessarily easier to solve. Correctly identifying competition as driven—or at least partially driven—by a security dilemma logic, however, better positions policymakers to recognize and implement diplomatic measures to ameliorate the underlying causes.

Developing a Test of Drivers of Military Competition

Based on the above theoretical elaborations of the security dilemma, we construct an empirical test to evaluate the drivers of contemporary military competition in the Asia Pacific. To be sure, the transition from the realm of abstract theory to the empirical world is often treacherous. Above all, it requires simplified abstractions of a complicated world—rarely do real-world cases fit neatly into the theoretical boxes in which scholars place them. For the purposes of this article, we identify two basic "types" of competitive security dynamics between states.

A type-1 strategic setting is characterized by a traditional security dilemma—that is, a situation in which security relations between potential rivals are unstable and defined by mutual suspicions of each other's intentions but where both sides are status quo, defensive-oriented states. Despite having aligned interests, they nevertheless are engaged in a destabilizing action-reaction cycle whereby moves to enhance one's own security for defensive reasons are seen by the other side as evincing potentially offensive intentions. A vicious cycle ensues, as the other side judges it has no choice but to employ countermeasures. If the two sides could credibly signal their benign intentions—both now and in the future—they would seek a "bargain" to reduce military competition.

Several variants of type-1 security dynamics exist. One variant is an ideal-type security-dilemma conflict derived from the classic security dilemma in its purest form. A destabilizing spiral is caused and perpetuated exclusively by increases in one or the other side's military capabilities strictly as a response to security concerns emanating from uncertainty rooted in international anarchy. The spiral devolves into a full-scale arms race, manifest in surging military expenditures and massive increases in weapons procurement on both sides. A

second variant is a milder version, with consequences significantly less severe: gradual efforts on both sides to enhance military capabilities that fall far short of full-scale arms racing. In a third variant, spirals emerge and perpetuate not only because of objectively identifiable efforts by one or both sides to enhance military capabilities; the genesis and intensity of the spiral is also affected by the political relations (e.g., the level of strategic trust) between the two sides. This situation in turn can be affected by such factors as leaders' rhetoric, ideology, and levels of military transparency.[26]

A type-2 strategic setting differs from type-1 logics not in the observed outcome—an action-reaction competitive spiral—but in its primary underlying driver. Type-2 dynamics are those in which one or more states seek changes to the status quo in a fundamentally zero-sum manner. Although one or both sides may wish to avoid war, the core driver of military competition is a direct conflict of interest. One or both sides are not status quo security seekers arming because of mistrust and uncertainty under anarchy. The two sides' interests are not aligned, and efforts to enhance military capabilities are a means to a de facto revisionist end.[27]

Consistent with key variables advanced by classic theoretical works in the security dilemma literature, we utilize a four-question test for security dilemmas in the Asia Pacific. We adapt this approach from works by Seiichiro Takagi and Sahoko Shiga, which were themselves based on variables originally introduced by Jervis and Glaser.[28] The first question is: What is the offense-defense balance in the Asia Pacific? Second, are allegedly defensive measures/weapons distinguishable from offensive ones? (If not, resolving or mitigating a security dilemma will be difficult).

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26. The term "strategic trust" figures frequently in high-level policy discussions about U.S.-China relations. See, for example, Mike Mullen, "A Step toward Trust with China," *New York Times*, July 25, 2011. For Chinese views, see Xi Jinping, "Work Together for a Bright Future of China-U.S. Cooperative Partnership," Washington, D.C., February 15, 2012, http://www.fmprc.gov.cn/mfa_eng/wjdt_665385/zyjh_665391/t910351.shtml; and He, "The Trust Deficit."

27. The two settings presented here do not represent the full universe of possible explanations for military buildups. Pursuit of military capabilities for any number of reasons distinct from a perceived threat can generate insecurity in others. Examples include pursuit of certain capabilities primarily for symbolic purposes (e.g., Wilhelmine Germany's naval buildup), because of domestic political factors such as a military-industrial complex, to counter domestic threats such as insurgencies or civil war, or because of bureaucratic logrolling. Rigorous examination of such alternatives, however, is necessarily beyond the scope of this article.

28. Takagi, "Reisengo No Nichibei Domei To Hokuto Ajia"; Shiga, "The Security Dilemma and the Strategic Triangle in East Asia after the Cold War"; Jervis, "Cooperation under the Security Dilemma"; and Glaser, "The Security Dilemma Revisited."

As discussed earlier. Glaser's analysis builds on Jervis's and argues that scholars must take into account two additional variables to develop a more complete understanding of the severity of the dilemma: (1) the extent of "the adversary's greed (that is, motives beyond security)," and (2) the degree of "the adversary's unit-level knowledge of the state's motives."[29] Accordingly, our test for traditional security dilemma dynamics requires answers to two additional questions: Are military buildups in the Asia Pacific driven by clashing interests, with one or both sides being "greedy"? To the extent they are not, the competition could be driven by security dilemma dynamics. If military buildups are not the result of clashing interests and both sides are security seekers, does each have a good understanding of the other's motives? If not, the conflict could be driven by security dilemma dynamics. In addition to the general challenges of asymmetric information and credible commitment under anarchy, we must consider relative levels of military transparency.

In the following section, we analyze contemporary circumstances in the Asia Pacific using the criteria above. Our objective is to determine whether and, ideally, the extent to which worsening military competition in the region is driven by security dilemma dynamics.

Empirical Survey of Asia Pacific States' Policies and Policy Drivers

What does the available evidence suggest about regional states' responses to China's rise? Do their responses reveal action-reaction dynamics? If so, are those dynamics indicative of type-1 or type-2 logics, or elements of both? In answering these questions, we begin with a brief overview of China's military development and policies. Next, we proceed to our empirical survey of state responses. Our cases include secondary states that are long-standing formal U.S. treaty allies—Australia and Japan; secondary states that are not—Singapore and Vietnam; and the de facto established great power United States. In each case, we are looking for efforts to enhance military capabilities in response to a perceived threat, including military spending increases, arms buildups, and less conspicuous as well as less easily quantifiable measures that states may take to improve their military capabilities to deter and, if necessary, defeat an adversary in twenty-first-century warfare. We then examine the drivers of these efforts.

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29. Glaser, "The Security Dilemma Revisited," p. 174.

China's military buildup

Over the past twenty-five years, China has significantly increased its military spending and enhanced its military capabilities both quantitatively and qualitatively. There seems more to come, as political and military leaders in Beijing refer to an "increasingly severe" security environment and call for still greater military spending and capabilities.[30] Meanwhile, most U.S. allies and partners see China as the primary cause of the problem.

Beijing appears to interpret U.S. security alliances and partnerships in the Asia Pacific as Cold War "relics" and therefore the persistence and strengthening of these relationships as a sign of U.S. attempts to "contain" China. In contrast, the United States and its security allies and partners seem to see their own moves as responses to the objective reality of the changing distribution of material capabilities and uncertainty about the future; they are aimed at maintaining regional stability and a status quo that allows all countries—including China—to remain secure and grow prosperous. On the surface, at least, the consequences of China's rise—in particular its pace and scope—seems a textbook case of a security dilemma–induced destabilizing spiral. Additional factors intensifying this dynamic are widespread uncertainty about China's intentions given the confusing doctrine of the People's Liberation Army (PLA) and Beijing's relatively low transparency concerning its military affairs and policy decisionmaking.

The objectively measurable change in China's military spending and capabilities over the past quarter century is telling. Since 1990 China's official defense budget has increased in nominal terms by double digits every year except 2010. Its projected official defense budget in 2014 was 808 billion renminbi (approximately $132 billion), a 12.2 percent increase over 2013. The official figure is the world's second highest, more than double Japan's and nearly three times India's. Many analysts believe that Beijing's official budget is significantly lower than its actual spending. Regardless of the precise figure, the basic trend line is clear: both spending on and the capabilities of the PLA have increased at a rapid rate.[31]

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30. In March 2014, the director of the People's Liberation Army Navy's expert-consultation committee stated that China's military budget remained "far from the level it needs to be as the country faces increasingly severe security challenges." See David J. Lynch, "China Challenges Obama's Asia Pivot with Rapid Military Buildup," *Bloomberg.com*, April 22, 2014, http://www.bloomberg.com/news/2014-04-23/china-defies-obama-s-slow-asia-pivot-with-rapid-military-buildup.html.
31. Liff and Erickson, "Demystifying China's Defence Spending"; and Erickson and Liff, "The Budget This Time."

Especially since 2000, the pace and scope of improvement in the PLA's military capabilities have exceeded most observers' expectations. Accordingly, and regardless of Beijing's intentions, the PLA increasingly poses at least a potential threat to China's neighbors and the United States.[32] A salient example is the PLA's conventional ballistic missile program, including its advanced cruise missiles and an indigenously developed antiship ballistic missile—the first of its kind for China. Progress is also manifest in China's rapidly improving naval and air forces.

The potentially destabilizing impact of China's surging defense budget and rapidly modernizing military on the security of neighboring states arguably is exacerbated by China's ambiguous strategy of "active defense" (*jiji fangyu*), which officially states that China will use military force only if it is attacked. PLA doctrinal writings suggest, however, that Beijing may interpret almost any affront to its "sovereignty and territorial integrity" as constituting an "attack"—a vague policy that the U.S. Defense Department identifies as troubling.[33]

Regardless of China's actual intentions, many in the region interpret recent developments as increasingly threatening. Weapons and platforms widely perceived as ominous despite Beijing's insistence on their supposedly "defensive" nature include the PLA's nascent aircraft carrier program, stealth fighters, armed drones, submarines, short- and medium-range ballistic missiles, nuclear weapons, and antisatellite and cyberwarfare capabilities. China's relative lack of military transparency appears to exacerbate widespread concerns about its rapidly advancing capabilities and intentions. Although since 1998 China has issued biannual defense white papers and submitted basic reports on defense expenditures to the United Nations, by any objective measure its level of transparency on decisionmaking, spending, capabilities, and objectives remains far below those of other countries at comparable levels of military development, including the United States and its most capable regional allies.[34]

Meanwhile, public statements by Chinese officials and government-run media tend to summarily dismiss other countries' concerns about China's mili-

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32. For a seminal analysis of how China's asymmetric approach can potentially threaten the interests and military of even the conventionally superior United States long before achieving "parity" in military capabilities, see Thomas J. Christensen, "Posing Problems without Catching Up: China's Rise and Challenges for U.S. Security Policy," *International Security*, Vol. 25, No. 4 (Spring 2001), pp. 5–40.

33. Office of the Secretary of Defense, *Military and Security Developments Involving the People's Republic of China*, Annual Report to Congress (Washington, D.C.: U.S. Department of Defense, 2010), p. 24.

34. Liff and Erickson, "Demystifying China's Defence Spending," pp. 821–823.

tary buildup. Official rhetoric and media commentary suggest only limited awareness that China is engaged in a strategic interaction and a lack of concern about potentially destabilizing consequences—that is, recognition of the costs and potentially disastrous consequences of an emerging security dilemma.[35] For example, foreign concerns are frequently written off by government and military officials and the Chinese media as attempts by the United States and its allies to "hype the China threat theory" (*zhongguo weixie de chaozuo*) for self-interested, ulterior motives (*bieyouyongxin*).[36] Beijing has employed the same dismissive slogans for years despite sea changes in objectively measurable circumstances, such as China's defense spending increasing from one-third Japan's to two or three times Japan's from 2002 to 2014.[37] In a 2011 interview on China's aircraft carrier program, a naval researcher explained Beijing's motivations as "just want[ing] to improve [China's] self defense ability," stating that China "does not want[] to threat[en] any country" and that the idea of China as a threat is "baseless."[38] Meanwhile, as apparent evidence of the fundamental attribution error from social psychology in play in international politics, Beijing dismisses Japan's stated concerns about its massive neighbor's rapidly advancing military capabilities as disguised efforts to justify Tokyo's supposed hidden agenda of remilitarization and "resurgent militarism" (*jungguozhuyi de sihuifuran*).[39]

Meanwhile, the Barack Obama administration's so-called rebalance to the

35. One high-ranking PLA official has stated that those formulating China's defense budget should pay no heed to international opinion. See "Luo Yuan: Zhongguo Bumouqiu Zhengba" [Luo Yuan: China does not seek hegemony], Xinhua news agency, March 9, 2010.
36. See, for example, China's response to Japan's 2013 defense white paper. "Guofangbu: Riben Xin Baogao Xuanran Zhongguo Junshi Weixie Bieyouyongxin" [Ministry of Defense: Japan's new report exaggerates China military threat for ulterior motives], *Jinghua Shibao*, July 28, 2013.
37. Compare the following two articles: "Zhongguo Dafu Zeng Junfei Yu 'Zhongguo Weixielun'" [China's large-scale military expenditure increases and "China threat theory"], Xinhua news agency, March 6, 2002; and "Zhongguo Bu Cunzai Yinxing Junfei Mei Zengjia Yi Fenqian Dou Wei Weihu Heping" [China has no invisible military spending: Every one-cent increase for upholding peace], Xinhuanet, March 5, 2014.
38. "Five Questions about China's Aircraft Carrier," *People's Daily Online*, July 30, 2011. http://english.peopledaily.com.cn/90786/7455794.html. A 2011 editorial in *Jiefangjun Bao* (PLA Daily) dismissed overseas concerns about China's aircraft carrier program as "completely unreasonable" (*haowu daoli*), arguing that it was part of China's "defensive national defense policy" (*fangyuxing guofang zhengce*). See "Zhongguo Hangmu Rulie Bu Hui Gaibian Fangweixing Guofang Zhengce" [China's carrier enters ranks; won't change defensive national defense policy], *Jiefangjun Bao*, September 26, 2012.
39. Buckley, "China Accuses Japan of Exaggerating It As a Military Threat"; and "China to Japan: Stop Citing Us As a Threat," Voice of America, November 11, 2013, http://www.voanews.com/content/article/1787646.html. On militarism, see "Yishiweijian Jingti Riben Junguozhuyi de Sihuifuran" [Use history as a mirror: Beware the return of Japanese militarism], *Jiefangjun Bao*, June 23, 2014. The empirical record of Japan's policy decisionmaking since 1945 renders these claims dubious.

Asia Pacific is widely seen in Beijing as a strictly military effort aimed at "containment." This reaction, which seems to have more to do with politics and perceptions than with military capabilities, has arguably exacerbated what may be to some extent inevitable frictions as China rises.

AUSTRALIA

An examination of Australia's responses to China's rise and military buildup evinces qualities of a security dilemma driven by both China's surging capabilities and doubts about the sincerity of Beijing's attempts to reassure its neighbors. Significantly, Australia and China have no territorial disputes or obvious direct conflicts of interest. Additionally, they are major trading partners. Australia is a continental-size state separated from China by immense expanses of ocean. In this setting, Australia's efforts to enhance its military capabilities in response to a perceived, yet uncertain, threat from China have key characteristics of type-1 logic.

An apparent turning point in Australia's commitment to enhancing its military capabilities occurred during the first administration of Labor Prime Minister Kevin Rudd (2007–10). Australia's 2009 defense white paper outlined a twenty-year military buildup plan that committed Canberra to increased defense spending every year until 2030. If realized, this proposed buildup would be Australia's largest since World War II, including major investments in submarines, frigates, Aegis air warfare destroyers, 100 F-35 Joint Strike Fighters, and total procurement funds amounting to more than $52.1 billion.[40] The plan called for Australia not only to double the size of its submarine fleet, but also to ensure that all submarines are qualitatively superior to those currently in use. At $36 billion, the proposed next-generation "Future Submarine" would be Australia's largest-ever defense project.[41]

In early 2013, the Julia Gillard-led Labor center-left government boosted defense spending and reconfirmed most of the earlier long-term acquisition plans.[42] Australia has continued on the basic course set out in 2009 under the current Liberal-National Party coalition led by Tony Abbott, who took office in September 2013. This continuity suggests bipartisan support for significantly increasing Australia's military power. In 2014 alone, Australia made its

40. Jon Grevatt, "Australia's 20-Year Defence White Paper Covers Most of the Bases," *Jane's Defence Weekly*, May 6, 2009.
41. Brendan Nicholson, "Smith Seeking U.S. Help to Build 12 Subs," *Australian*, July 25, 2011; and "Australia Reaffirms Submarine Procurement," *Jane's Defence Weekly*, May 26, 2011.
42. Mark Thomson, "Deciphering Australia's Defense Budget," *Asia Pacific Bulletin*, No. 215 (Washington, D.C.: East-West Center, May 23, 2013).

largest-ever defense purchase, a $11.5 billion deal for 58 F-35As; increased its defense spending by 6.1 percent in real terms; and committed $115 billion to defense through June 2018.

In addition to quantitative and qualitative improvements to its weapons and platforms, Australia has sought to enhance its military capabilities by tightening links with the United States. Most of Australia's weapon procurements are U.S.-built or compatible with U.S. systems, thus facilitating interoperability. In August 2009, the two allies signed the updated "Statement of Principles [SoP] for Enhanced Cooperation between the U.S. Navy (USN) and the RAN in Matters Relating to Submarines."[43] Australia's armed forces conduct dozens of regular joint exercises with the U.S. military, including the massive Talisman Sabre drill.[44] And at the 2011 meeting of the U.S. secretaries of state and defense with their Australian counterparts, Washington and Canberra formally added cyber defense to the U.S.-Australia security alliance and released a joint communiqué that calls for greater interoperability, force posture alignment, and consultations on ballistic missile defense.[45]

In 2011 Australia announced a major force posture review to coincide with the U.S. force posture review in 2014. At the time, Defense Minister Stephen Smith suggested that Canberra might allow the United States to preposition equipment on Australian soil, have greater access to Australian training and test ranges, and regularly use Australian bases and ports.[46] Later in 2011, despite talk of major cuts to U.S. defense spending, President Obama announced to the Australian Parliament a "deliberate and strategic decision" to deploy 2,500 Marines to Australia, increase U.S. Air Force access to airfields in Australia's Northern Territory, and enhance joint training and exercises. Most important, Obama stressed that looming defense budget cuts "will not—I repeat, will not—come at the expense of the Asia-Pacific."[47] By the end of 2014, 1,200 U.S. Marines will be based at Darwin; 2,500 by the end of 2015.[48]

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43. Jon Grevatt, "Australia and U.S. Update Submarine Co-operation Agreement," *Jane's Defence Weekly*, November 6, 2009.
44. Anne Gearon and Lolita C. Baldor, "Deal Near on More U.S. Military Access in Australia," Associated Press, September 15, 2011.
45. U.S. Department of State, "Australia–United States Ministerial Consultations (AUSMIN 2011) Joint Communiqué" (Washington, D.C.: U.S. Department of State, 2011), http://www.state.gov/r/pa/prs/ps/2011/09/172517.htm.
46. Ian McPherdran, "U.S. Eyes Base in State's Outback," *Advertiser*, July 29, 2011.
47. Barack Obama, "Remarks by President Obama to the Australian Parliament," Canberra, Australia, November 17, 2011, http://www.whitehouse.gov/the-press-office/2011/11/17/remarks-president-obama-australian-parliament.
48. Seth Robson, "Japan, Australia Look to Marines While Beefing Up Amphibious Forces," *Stars and Stripes*, March 27, 2014, http://www.stripes.com/news/japan-australia-look-to-marines-while-beefing-up-amphibious-forces-1.274312.

Australia has also moved to enhance its military ties with other U.S. security allies and partners in the region. Perhaps most remarkable are its deepening military and security ties with Japan. In 2002 Canberra joined Washington and Tokyo to establish the Trilateral Security Dialogue, which now consists of ministerial-level trilateral security consultations. In Iraq, Australian forces defended Japan's Self-Defense Forces (SDF). In 2007 Prime Ministers John Howard and Shinzo Abe signed the landmark Joint Declaration on Security Cooperation. This declaration led to a qualitative increase in defense links, as well as annual meetings between the two countries' defense and foreign ministers and enhanced bilateral military cooperation.[49] In 2013 and 2014 bilateral defense cooperation accelerated, as Tokyo and Canberra signed the Acquisition and Cross-Servicing Agreement, the Information Security Agreement, and a major security agreement that includes joint development of defense equipment.[50] Military exercises, including high-level bilateral exercises, antisubmarine warfare practice, and multilateral exercises with the United States and other U.S. allies, have also expanded significantly.

Australia's recent security policy changes appear to be a direct reaction to China's increasing military capabilities, as well as doubts about Beijing's intentions because of an absence of strategic trust. Recent statements by Australia's prime ministers as well as official government publications and intelligence assessments suggest a clear—and growing—concern about the PLA and provide grounds for concluding that Australia's policy response flows in large part from a security dilemma–type dynamic. China appears to be similarly affected. For example, during a spring 2012 trip to Beijing, Foreign Minister Bob Carr reported that his Chinese interlocutors expressed concerns about Australia's pursuit of stronger military ties with the United States.[51] Analysts also point to China as the major driver of Canberra's enhanced defense cooperation with Tokyo.[52]

In response to this diplomatic backlash from China, Canberra appears to be limiting explicit references to a Chinese threat. Yet a sampling of official publications and statements by political leaders demonstrates that concern

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49. Evan S. Medeiros et al., *Pacific Currents: The Responses of U.S. Allies and Security Partners in East Asia to China's Rise* (Santa Monica, Calif.: RAND Corporation, 2008), pp. 213–214.
50. Yusuke Ishihara, "Japan-Australia Defence Cooperation in the Asia-Pacific Region," in William Tow and Tomonori Yoshizaki, eds., *Beyond the Hub and Spokes: Australia-Japan Security Cooperation* (Tokyo: National Institute for Defense Studies, 2014), pp. 100–102; and "Australia Defends Security Deal with Japan," Agence France-Presse, April 8, 2014, http://www.defensenews.com/article/20140408/DEFREG03/304080031/Australia-Defends-Security-Deal-Japan.
51. "Carr: China Concerned by Australia-U.S. Military Ties," *BBC News*, May 15, 2012.
52. Ishihara, "Japan-Australia Defence Cooperation in the Asia-Pacific Region," p. 122.

about China's rapid military development and a lack of transparency were major drivers of Canberra's original decision to launch a significant military buildup—one that largely continues apace today, despite four prime ministers and major fiscal concerns. Australia's 2007 Defence Update notes that "the pace and scope of [China's] military modernization . . . could create misunderstandings and instability in the region."[53] In a response to a question after the release of the 2009 defense white paper, Prime Minister Rudd told reporters, "It's as plain as day that there is a significant military and naval build-up across the Asia-Pacific region, that's a reality, it's a truth, it's there. Either you can simply choose to ignore that fact, or to incorporate that into a realistic component of Australia's strategic assumptions about what this region will look like over the next two decades."[54] The white paper states, "A major power of China's stature can be expected to develop a globally significant military capability befitting its size. But the pace, scope, and structure of China's military modernisation have the potential to give its neighbours cause for concern if not carefully explained, and if China does not reach out to others to build confidence regarding its military plans."[55] Finally, recent reports about a leaked intelligence assessment suggest that the Office of National Assessments, the Defence Intelligence Organisation, and the Defence and Foreign Affairs departments "agree that the trend of China's military modernisation is beyond the scope of what would be required for a conflict over Taiwan." They further concur that the speed of China's buildup, coupled with "the opacity of Beijing's intentions and programs," is "already altering the balance of power in Asia and could be a destabilizing influence," adding that "there is the potential for possible misconceptions which could lead to a serious miscalculation or crisis" and "the nature of the [PLA] and the regime means that transparency will continue to be viewed as a potential vulnerability. This contributes to the likelihood of strategic misperceptions."[56] These assessments suggest strongly that seen from Canberra, China's rapidly increasing military capabilities and policies are threatening. Yet they also suggest that their destabilizing effects could be partially mitigated by expanded

53. Australian Department of Defence, *Australia's National Security: A Defence Update 2007* (Canberra: Australian Department of Defence, 2007), p. 19.
54. Simon Jenkins and Andrew Drummond, "Australia Must Be Strong in Asia-Pacific: Rudd," Australian Associated Press, May 2, 2009.
55. Australian Department of Defense, "Defending Australia in the Asia Pacific Century: Force 2030 (Defence White Paper 2009)" (Canberra: Australian Department of Defence, 2009), p. 34.
56. Philip Dorling, "Chinese Expansion Fears Revealed," *Sydney Morning Herald*, January 7, 2011.

efforts by Beijing to improve the two states' political relationship and enhance strategic trust through greater transparency and dialogue.

JAPAN

The dynamic between Tokyo and Beijing evinces characteristics of both a type-1 logic—an abstract security dilemma driven by mistrust about both sides' possibly status quo intentions—and a type-2 logic driven by a perceived direct conflict of interest over material/territorial interests in the East China Sea. An issue in bilateral relations for four decades, the latter has become an increasingly salient factor since the collision of a Chinese fishing trawler and a Japanese Coast Guard ship in September 2010.

Although Japan's aging and declining population, less-than-robust economic growth, and severe fiscal conditions pose major obstacles to significantly increasing defense spending, Japan has nevertheless adopted measures aimed at enhancing its military capabilities so as to maximize efficiencies. Remarkably, despite these constraints, the administration of Prime Minister Abe managed to push through defense budget increases in 2013 and 2014, and it plans a cumulative increase of 5 percent by 2019.[57]

Japan's 2010 National Defense Program Guidelines (NDPG) adopted a new basic defense orientation known as "dynamic defense force" (*doteki boeiryoku*), which entails a southwest shift of the SDF's force posture (to islands closer to China) and an increased emphasis on flexibility and highly mobile forces.[58] Japan has made significant upgrades to its military capabilities, including the expansion of its fleet of Aegis destroyers by 50 percent (from 4 to 6 ships); increases in its fleets of submarines from 16 to 22 (the most since 1945) and its maritime patrol aircraft; the launching of 2 Hyuga-class helicopter destroyers, with plans to build 2 still larger 22DDH destroyers; and construction of signal intelligence facilities, ballistic missile radar, and monitoring posts on or near its southwest islands. Some of these upgrades are driven by the growing missile threat posed by North Korea, but a number of recent trends are a direct response to China's military buildup. Ground Self-Defense Forces regional units

57. For data on Japan's defense spending, see Japanese Ministry of Defense, *Wagakuni no Boei to Yosan* [Defense programs and budget of Japan] (Tokyo: Japanese Ministry of Defense, 2014), p. 48, http://www.mod.go.jp/j/yosan/2014/yosan.pdf. These moderate increases come on the heels of eleven consecutive years of defense spending decline.

58. Japanese Ministry of Defense, "National Defense Program Guidelines and the Mid-Term Defense Program" (Tokyo: Japanese Ministry of Defense, 2013), http://www.mod.go.jp/e/d_act/d_policy/national.html.

based in Kyushu, in coordination with the Maritime Self-Defense Forces and Air Self-Defense Forces, hold exercises focused on responding to an invasion of offshore islands.[59] Japan has also significantly enhanced the capabilities of its already robust Coast Guard.[60]

The 2013 NDPG reinforced the dynamic defense force concept, adding the term "joint" (*togo*), and calls for Japan to build up future defense capabilities "to place priority on ensuring maritime and air superiority, which is the prerequisite for effective deterrence and response in various situations, including the defense posture buildup in the southwestern region."[61] Whether feasible or not, this call suggests that maintaining superiority over China is a primary objective. The 2013 five-year Midterm Defense Plan calls for 7 more destroyers, including 2 Aegis destroyers, bringing the aggregate total up to 54 (from 47) and the Aegis total to 8 from 6 (an effective doubling of Aegis firepower in less than a decade), and 28 F-35s. For the first time since 1945, Japan is also standing up a new amphibious force to be interoperable with U.S. Marines.[62]

The SDF and U.S. military have significantly expanded the number and frequency of regular joint exercises, such as Cope North and Red Flag-Alaska between the two air forces, amphibious and counteroffensive training aimed at enemy incursions and occupations of small islands ("Iron Fist") and during the annual Yamasaki exercises, and Patriot missile training at Fort Bliss.[63] In February 2005, Washington and Tokyo announced common strategic objec-

59. Japanese Ministry of Defense, "Defense Programs and Budget of Japan: Overview of FY2010 Budget" (Tokyo: Japanese Ministry of Defense, 2013), p. 6, http://www.mod.go.jp/e/d_budget/pdf/220416.pdf. In 2005, Kyodo News reported that the Defense Agency had prepared a plan to defend Japan's southwest from possible invasion by dispatching a joint JSDF force spearheaded by 55,000 Ground Self-Defense Force troops. See "Defense Plan Prepared for Remote Islands," *Japan Times*, January 16, 2005.

60. Richard J. Samuels, "'New Fighting Power!' Japan's Growing Maritime Capabilities and East Asian Security," *International Security*, Vol. 32, No. 3 (Winter 2007/08), pp. 84–112; and Yoko Masuda, "The Race to Beef Up Japan's Coast Guard," *Japan Real Time* blog, *Wall Street Journal*, October 27, 2012, http://blogs.wsj.com/japanrealtime/2012/10/27/the-race-to-beef-up-japans-coast-guard/?mod=WSJBlogtab/print/.

61. Japanese Ministry of Defense, "National Defense Program Guidelines for FY2014 and Beyond (Summary)" (Tokyo: Japanese Ministry of Defense, 2013), December 17, 2013, http://www.mod.go.jp/j/approach/agenda/guideline/2014/pdf/20131217_e.pdf.

62. Japanese Ministry of Defense, "Chuki Boeiryoku Seibi Keikaku (Heisei 26nendo~Heisei 30nendo) Ni Tsuite" [Concerning the mid-term defense program (2014~2018)] (Tokyo: Japanese Ministry of Defense, 2013), http://www.mod.go.jp/j/approach/agenda/guideline/2014/pdf/chuki_seibi26-30.pdf.

63. Tony Perry and Bruce Wallace, "Japanese Troops Shore Up Skills," *Los Angeles Times*, January 13, 2006; Andersen Air Force Base 36th Wing Public Affairs, "Exercise Cope North Focuses Enhances Japan, U.S. Operations," January 25, 2009, http://www.andersen.af.mil/news/story.asp?id=123132615; and Sean Martin, "U.S., Japanese Airmen Train for Red Flag-Alaska," May 20, 2010, http://www.af.mil/News/ArticleDisplay/tabid/223/Article/116607/us-japanese-airmen-train-for-red-flag-alaska.aspx.

tives and in 2006 announced major measures aimed at enhancing interoperability, collocating U.S. and Japanese bases in Japan, as well as expanding joint training and operations and missile defense cooperation.[64] In 2013 Washington and Tokyo announced plans to revise the 1997 Guidelines for Defense Cooperation by the end of 2014 with the explicit objective of "expanding security and defense cooperation."[65]

In addition to tightening links with Washington and Canberra, Tokyo has sought closer relations with other U.S. allies and partners. In 2011 Japan and South Korea called for a bilateral acquisition and cross-servicing agreement.[66] Furthermore, during Keen Sword 2011—the largest joint naval drills between the U.S. and Japanese militaries—South Korea was invited to attend as an observer for the first time.[67] In October 2008, Japan and India signed a joint security declaration stating that the two countries' strategic partnership would become "an essential pillar for the future architecture of the region."[68] In the spring of 2014, the leaders of Australia and the Philippines expressed public support for the Abe administration's effort—achieved via a historic cabinet resolution on July 1—to "reinterpret" the war-renouncing Article 9 of Japan's constitution to enable Japan to exercise the United Nations–sanctioned right to collective self-defense.[69] This development may herald significant changes to Japan's security policy posture in the Asia Pacific and beyond, the U.S.-Japan security alliance, and Tokyo's security ties with U.S. security allies and partners.

A major, if not the primary, driver of Japan's efforts to enhance its military

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64. Japanese Ministry of Foreign Affairs, "Joint Statement U.S.-Japan Security Consultative Committee" (Tokyo: Japanese Ministry of Foreign Affairs, February 19, 2005), http://www.mofa.go.jp/region/n%2Damerica/us/security/scc/joint0502.html; Japanese Ministry of Foreign Affairs, "United States-Japan Roadmap for Realignment Implementation" (Tokyo: Japanese Ministry of Foreign Affairs, May 1, 2006), http://www.mofa.go.jp/region/n-america/us/security/scc/doc0605.html; and Joseph Coleman, "U.S., Japan Expand Missile-Defense Plan," *Washington Post*, June 23, 2006.

65. U.S. Department of State, "Joint Statement of the Security Consultative Committee: Toward a More Robust Alliance and Greater Shared Responsibilities" (Washington, D.C.: U.S. Department of State, October 3, 2013), http://www.state.gov/r/pa/prs/ps/2013/10/215070.htm.

66. Japanese Ministry of Defense, "Nikkan Boeisho Kaidan No Gaiyo" [Outline of Japan-ROK defense ministers' discussion] (Tokyo: Japanese Ministry of Defense, June 4, 2011), http://www.mod.go.jp/j/press/youjin/2011/06/04f.pdf. Recent political disputes over historical issues, however, have frozen progress.

67. Kosuke Takahashi, "Largest Joint US-Japan Naval Drills Start," *Jane's Defence Weekly*, December 3, 2010.

68. Japanese Ministry of Foreign Affairs, "Joint Statement on the Advancement of the Strategic and Global Partnership between Japan and India" (Tokyo: Japanese Ministry of Foreign Affairs, October 22, 2008), http://www.mofa.go.jp/region/asia-paci/india/pmv0810/joint_s.html.

69. "Philippine Leader Backs Larger Japan Military Role," Associated Press, June 24, 2014.

capabilities in recent years appears to be a perceived growing threat from China. To Tokyo, this threat perception is heavily influenced by Beijing's rapid military buildup—both its growing capabilities specifically and more general concerns about its strategic intentions given the recent deterioration in political relations between the two countries and China's lack of military transparency. Yet the threat is not merely an abstract and future one. An increasingly salient factor in Japanese defense planners' calculations is the manner in which China is asserting its claim to the Senkaku/Diaoyu Islands in the East China Sea.

As a testament to the role of China's rise and military buildup in driving important aspects of Japan's recent security policy shifts, a recent internal ministry of defense document argued that the objective of Japan's southwest island chain strategy is "to maintain the military superiority of Japan and the United States over China in this region and have China abandon its ambition to pose a threat to the national interests of Japan and the United States."[70] The assumption implicit in this stated objective is that by responding to China's buildup by enhancing their own military capabilities, the allies can increase their security and even convince China to back down. This way of thinking is consistent with the core tragedy of the security dilemma. Similarly, the 2010 NDPG cites China's increasing defense expenditures, rapid military modernization, expanding capabilities, and lack of military transparency as "matter[s] of concern for the region and the international community."[71] It calls for Japan to shift its force posture southwest to address an "SDF deployment vacuum."[72] Japan's 2011 defense white paper expresses concern about China's "assertive" behavior, its lack of military transparency, the size of its defense budget (which had increased 70 percent in the five years prior), and the pace of its ongoing military modernization.[73]

Although China contends that its military buildup is "defensive," Japan clearly sees it as directly threatening. This perceptual disconnect was manifest in Defense Minister Toshimi Kitazawa's August 2011 comment about China's recently unveiled aircraft carrier—which China has repeatedly argued is

70. Cited in Yoichi Kato, "SDF Preparations All Have but Only One Target: China," *Asahi Shimbun*, January 1, 2011.
71. Japanese Ministry of Defense, "Heisei 23 Nendo Iko Ni Kakawaru Boei Keikaku No Taiko Ni Tsuite" [About the post-2011 National Defense Program guidelines] (Tokyo: Japanese Ministry of Defense, December 17, 2010), http://www.mod.go.jp/j/approach/agenda/guideline/2011/taikou.html.
72. Ibid.
73. Japanese Ministry of Defense, "Defense of Japan 2011" (Tokyo: Japanese Ministry of Defense, 2011), http://www.mod.go.jp/e/publ/w_paper/2011.html.

"defensive," dismissing foreign concerns as "completely unreasonable."[74] Kitazawa disagreed, stating, "As an aircraft carrier, it is of a highly maneuverable and offensive nature. We want China to explain the reasons why it needs it. . . . There is no doubt that it will have a big impact on the region."[75] Two months later, Democratic Party Prime Minister Yoshihiko Noda stated: "Uncertainty regarding our security situation continues to grow [*futomeisa wo mashiteorimasu*] due to [. . . North Korea . . .] and repeated and frequent maritime activities of China in the seas around Japan."[76] In November 2012, Defense Minister Satoshi Morimoto explicitly linked his call for a revision of the U.S.-Japan Guidelines to the perceived China threat.[77]

This basic trend has accelerated over the past three years, a period that has also seen the return of the Liberal Democratic Party (LDP) to power in December 2012—suggesting that threat perceptions vis-à-vis China are widespread across the political spectrum. The reascendance of the LDP coincides with what Tokyo sees as increasingly provocative Chinese behavior in the East China Sea. This behavior has expanded significantly in the wake of the Noda administration's purchase of the Senkaku/Diaoyu Islands (claimed by China but administered by Japan) from a private Japanese owner in late 2012.[78]

Many aspects of Japan's security policy under Prime Minister Abe, especially as the territorial dispute in the East China Sea has festered, have been linked directly to China's rise. During the rollout of the 2013 National Security Strategy in December 2013, Defense Minister Itsunori Onodera expressed "deep concern" about China's actions in the East China Sea. Japan's 2013 defense white paper referred explicitly to "extremely regrettable" Chinese actions, including "intrusion into Japan's territorial waters, its violation of Japan's airspace and even dangerous actions that could cause a contingency situation."[79] In March 2014, LDP Secretary-General (and former Defense Min-

74. "Zhongguo Hangmu Rulie Bu Hui Gaibian Fangweixing Guofang Zhengce."
75. "Japan Calls for China to Explain Aircraft Carrier," Agence France-Presse, August 12, 2011.
76. Prime Minister's Office, "Address by Prime Minister Yoshihiko Noda at the 2011 Air Review" (Tokyo: Prime Minister's Office, October 16, 2011), http://www.kantei.go.jp/foreign/noda/statement/201110/16kunji_e.html.
77. Martin Fackler, "Japan Aims to Revise Security Pact with U.S.," *New York Times*, November 9, 2012.
78. Beijing criticized the central government's move as a violation of the status quo. Noda defended it as necessary to prevent Shintaro Ishihara, the governor of Tokyo, from purchasing and developing the islands. Many observers, including Noda, have argued that allowing Ishihara to acquire the islands could have incited a war with China. See Isabel Reynolds, "Noda Says Failure to Buy Islands Could Have Meant China Conflict," *Bloomberg.com*, August 22, 2014.
79. Hiroko Tabuchi, "Japan Warns of China and North Korea as Security Threats," *New York Times*, July 9, 2013, http://www.nytimes.com/2013/07/10/world/asia/japan-warns-of-threats-from-china-and-north-korea.html.

ister) Shigeru Ishiba called for "an Asian version of NATO" in response to "a [likely] continued rise in China's defense budget and U.S. influence waning."[80]

SINGAPORE

Singapore's response to China's rise and military buildup also shows characteristics of a security dilemma driven by both military and political factors, albeit of a much milder form than Australia's and Japan's. Like Australia, but in contrast to Japan and Vietnam, Singapore has no territorial disputes or obvious direct conflicts of interest with China. Distinct from Japan and Australia, Singapore is not a U.S. treaty ally. Also, it maintains close political and economic relations with Beijing. Yet Singapore has for decades maintained a close military relationship with the United States as a hedge against possible instability in the region. As a speech delivered in 2000 by Singapore's prime minister stated, "The U.S. presence has been a determining reason for the peace and stability Asia enjoys today. It has helped turn an unstable region of tension and strife into a booming and dynamic Southeast Asia."[81] More recently, Singapore's focus has increasingly been on concerns about China's rise and rapid military modernization.[82] As a 2008 study by the RAND Corporation argues, Singaporean leaders identify the United States as both a "principal stabilizer" in the region and as the "only realistic counterweight to potential Chinese external assertiveness." Consequently, a primary Singaporean foreign policy objective is to "keep[] the United States actively engaged and forward deployed in the region."[83]

Singapore has steadily increased its defense spending: from U.S.$8.4 billion in 2007 to U.S.$9.9 billion in 2014.[84] It purchased two modern, air-independent propulsion Swedish Archer-class submarines in 2005 (the first delivered in August 2011), plans to procure two Type-218SG submarines from Germany, and is expected to purchase the F-35 Joint Strike Fighter. In January 2014, it announced a U.S.$2.4 billion deal with the United States to upgrade Singapore's F-16C/Ds.[85]

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80. "Asia Needs NATO-Style Alliance against China: LDP Lawmaker," Kyodo news agency, March 6, 2014.
81. Prime Minister Goh Chok Tong, "ASEAN-U.S. Relations: Challenges," speech presented at the Asia Society, Singapore, September 7, 2000, http://asiasociety.org/asean-us-relations-challenges.
82. Robyn Klingler-Vidra, "The Pragmatic 'Little Red Dot': Singapore's U.S. Hedge against China," IDEAS Report SR015 (London: London School of Economics, 2012), pp. 67, 71–72.
83. Medeiros et al., *Pacific Currents*, pp. 185–186.
84. Jon Grevatt, "Singapore Announces SGD12.56 Billion Defence Budget," *Jane's Defence Weekly*, February 25, 2014.
85. Ibid.

In July 2005, Singapore and Washington signed a strategic framework agreement making Singapore a "major security-cooperation partner" of the United States. Based on the agreement, the two sides have expanded their joint military exercises and training; enhanced cooperation in counterterrorism, defense technology, and counterproliferation; and increased policy dialogues. Singapore's advanced military—particularly its air force—gives it the ability to interoperate with U.S. forces. Singapore currently hosts U.S. Navy Logistic Group West Pacific and the U.S. Air Force 497th Combat Training Squadron.[86] Since 2000 its Changi Naval Base has been open to U.S. aircraft carriers.[87] Its military forces have access to training and bases in the United States.[88] Since 2013 the Obama administration has forward-deployed littoral combat ships to Singapore as a core component of its rebalancing efforts. The first of these ships conducted patrols in the South China Sea, among other missions.[89]

China's long-term strategic intentions and its relationship with the United States appear to be Singapore's two primary security concerns. In a 2013 study, Capt. Dexian Cai of Singapore's armed forces argues that "Singapore avoids any discourse that might paint China as a threat, but must remain uncertain about Chinese motives."[90] Singapore is too small—its population is 1/270th the size of China's—to consider competing with Beijing by itself. Also, because it does not have any territorial disputes with China, China's military buildup poses a reduced concrete threat. Accordingly, Singapore's basic strategy is a mix of economic engagement of China concomitant with tightening security ties with the United States, Japan, and others as a hedge against uncertainty—especially in the face of China's rapid rise and military modernization.[91] The aim of the latter part of its strategy is to maintain a balance of power to support regional stability. Singaporean leaders make a concerted effort to keep Washington engaged in the region and the U.S. military forward deployed.[92]

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86. Embassy of the United States, Singapore, "Navy Region Center Singapore (NRCS)" (Singapore: Embassy of the United States, Singapore, n.d.), http://singapore.usembassy.gov/nrcs.html.
87. Dexian Cai, "Hedging for Maximum Flexibility: Singapore's Pragmatic Approach to Security Relations with the US and China," *Pointer: Journal of the Singapore Armed Forces*, Vol. 39, No. 2 (2013), p. 2.
88. Ibid., p. 3.
89. Grace Jean, "USN LCS Patrolled South China Sea during Deployment," *Jane's Defence Weekly*, January 7, 2014.
90. Cai, "Hedging for Maximum Flexibility," p. 3.
91. Medeiros et al., *Pacific Currents*, pp. 185–186; Klingler-Vidra, "The Pragmatic 'Little Red Dot,'" pp. 67, 70–72; and Cai, "Hedging for Maximum Flexibility."
92. Medeiros et al., *Pacific Currents*, pp. 185–186.

VIETNAM

Major tensions are a defining characteristic of contemporary security relations between Hanoi and Beijing. These tensions have arisen from long-standing, sometimes violent, and worsening territorial disputes in the South China Sea—specifically, over the Spratly and Paracel Islands. Changes in Vietnamese security policy over the past several years evince the serious threat that Hanoi believes these disputes pose to its interests and appear primarily driven by a desire to enhance its ability to defend those claims. Albeit from a low base, to this end Vietnam appears committed to significantly enhancing its military capabilities, especially in the maritime and air domains. Defense spending increased by 70 percent in 2011.[93] According to the International Institute for Strategic Studies, from 2012 to 2013 Hanoi further raised the official budget—from $3.3 billion to $3.8 billion.[94] Jane's Defence Weekly projects that this figure will increase rapidly—to $4.9 billion—by 2017.[95] In late 2009, Vietnam signed a deal to purchase 6 Kilo-class submarines from Russia for $2 billion, due for delivery by 2016.[96] It has also finished orders for or expressed interest in fast attack craft, Su-30MK2 fighter aircraft, and a coastal defense system from Russia.[97] By 2017 it will have procured its third and fourth Russian-built Gepard light frigates, intended for antisubmarine warfare—most likely in the South China Sea. In mid-2013 Vietnam stood up a combined air force and navy brigade tasked with maritime missions.[98]

In addition to enhancing its military capabilities, Vietnam is strengthening military ties with other regional states. In the second half of 2010 alone, Vietnam signed defense collaboration partnerships "of variable scope and detail" with fifteen countries. The content of these agreements varies, but can include military exchanges, training, arms sales, and search-and-rescue collab-

93. Official defense spending amounted to only $2.6 billion. Actual spending is believed to have been much higher. Jon Grevatt, "Vietnam's Military Spending to Rise by 70% in 2011," *Jane's Defence Weekly*, January 17, 2011.
94. International Institute for Strategic Studies, "Chapter Six: Asia," *The Military Balance 2014* (London: International Institute for Strategic Studies, 2014), p. 287.
95. Jon Grevatt, "Briefing: Powering Up," *Jane's Defence Weekly*, July 17, 2013.
96. "Russia to Hand Over 'Black Hole' Sub to Vietnam in November," *RIA Novosti*, July 29, 2013, http://en.rian.ru/military_news/20130729/182478140/Russia-to-Hand-Over-Black-Hole-Sub-to-Vietnam-in-November.html.
97. Jon Grevatt, "Vietnam Outlines 2011 Strategy," *Jane's Defence Weekly*, December 30, 2010; Jon Grevatt, "Vietnam Negotiates for Russian Coastal Defence Systems," *Jane's Defence Weekly*, August 15, 2011; and Jon Grevatt, "Vietnam Signs Deal with Russia to Procure Additional Su-30MK2s," *Jane's Defence Weekly*, August 21, 2013.
98. Gareth Jennings, "Vietnam Stands Up New Air Force–Navy Brigade," *Jane's Defence Weekly*, July 10, 2013.

oration.[99] In 2011 it opened up its deep-water port in Cam Ranh Bay to foreign navies.[100] U.S.-Vietnam military ties are deepening rapidly, though from a low base. The two navies are conducting their first joint naval exercises since the Vietnam War.[101] In 2013 Presidents Obama and Trương Tấn Sang pledged to deepen military ties and agreed to a "Comprehensive Partnership."[102] Washington is currently considering easing a long-standing arms embargo against Hanoi.[103]

Vietnam is also reaching out to U.S. allies. In 2010 Hanoi and Canberra signed the "Memorandum of Understanding on Defence Cooperation."[104] Building on a similar memorandum signed with Japan in 2011, in 2014 Tokyo and Hanoi agreed to enter into an "extensive strategic partnership" designed to enhance bilateral defense cooperation and cooperation in maritime security, and even jointly criticized China for provocative behavior vis-à-vis territorial disputes.[105] A similar joint statement criticizing China was made with Philippines President Benigno Aquino.[106] Meanwhile, Japan has taken initial steps to provide Vietnam with patrol boats, 10 of which Vietnam requested in 2013, and the United States has offered funds to enhance Hanoi's maritime capabilities, including fast patrol boats and training.[107]

Vietnam's surging defense expenditures, its recent procurement of Kilo-class submarines and other weapons platforms from Russia, and its efforts to establish stronger security ties with almost every major player both within and outside the Asia Pacific suggest that Hanoi is engaged in an increasingly severe capabilities competition with China. There appears to be little evidence, however, that Hanoi's policy shifts are driven by type-1 dynamics: a security di-

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99. Jon Grevatt, "UK and Vietnam to Sign Landmark Defence Co-operation Agreement," *Jane's Defence Weekly*, September 7, 2010.
100. Amol Sharma et al., "Asia's New Arms Race," *Wall Street Journal*, February 12, 2011.
101. "U.S.-Vietnam Naval Exercises Begin Amid Sea Tensions," *Bloomberg.com*, April 8, 2014.
102. Carlyle A. Thayer, "U.S.-Vietnam Defence Relations: Convergence Not Congruence," *China Policy Institute* blog, March 12, 2014, http://blogs.nottingham.ac.uk/chinapolicyinstitute/2014/03/12/u-s-vietnam-defence-relations-convergence-not-congruence/.
103. Jon Grevatt, "U.S. 'May Ease' Export Restrictions against Myanmar and Vietnam," *Jane's Defence Weekly*, February 19, 2014.
104. Julian Kerr and James Hardy, "Australia, Vietnam Signal Closer Defence Ties," *Jane's Defence Weekly*, March 20, 2013.
105. Jon Grevatt, "Japan, Vietnam Pave Way for Further Defence Collaboration," *Jane's Defence Weekly*, April 23, 2014; and "Japan, Vietnam Criticize China for Instability in South China Sea," Kyodo news agency, May 22, 2014.
106. Kristine Kwok and Julian Ryall, "Vietnam Edges Closer to Old U.S. Foe as Maritime Dispute with China Heats Up," *South China Morning Post*, May 30, 2014.
107. Scott Cheney-Peters, "Japan to Provide Vietnam Patrol Boats Next Year," *USNI News*, June 2, 2014, http://news.usni.org/2014/06/02/japan-provide-vietnam-patrol-boats-next-year.

lemma resulting from a misunderstanding of Beijing's intentions. Rather, they appear more likely to be driven by type-2 dynamics: a concrete dispute over material and territorial interests.

UNITED STATES

A self-proclaimed Asia Pacific power for nearly a century, the United States in recent years has increasingly shifted its force posture toward the region. While the basic thrust of this shift precedes President Obama's first inauguration, his administration has famously dubbed this effort the "Asia Pacific rebalance."[108] Although the administration's approach transcends any given domain and is heavily focused on trade, investment, multilateralism, the advancement of democracy, and engagement with emerging powers, the military component is also important. Although explicitly not aimed at "containing" China's emergence, it is driven by the growing importance of the Asia Pacific to U.S. interests, coupled with widespread concerns about instability—in particular, given China's rapid military buildup and uncertainty about its strategic intentions.[109]

Yet as discussed earlier, what Washington in large part sees as an economic and political agenda in the interest of stability in the Asia Pacific is perceived in Beijing as confrontational and threatening. This perceptual disconnect suggests that even though Washington has a decades-long track record of encouraging China's development and prosperity, and although tensions over some long-standing issues (e.g., Taiwan's status) remain salient, as China's military capabilities grow rapidly, a type-1 dynamic is increasingly at play.

The U.S. military's increasing focus on the Asia Pacific region manifests in the U.S. Navy's growing presence in San Diego and Guam, as well as the growing capabilities of its forward-deployed forces. Current efforts continue a long-term trend of increasing U.S. military capability in the Asia Pacific. For example, the U.S. Seventh Fleet has grown quantitatively and qualitatively over the past twelve years. It now operates up to 70 ships, compared with

108. For background, see Obama, "Remarks by President Obama to the Australian Parliament"; Clinton, "America's Pacific Century"; U.S. Department of Defense, *Sustaining U.S. Global Leadership: Priorities for 21st Century Defense* (Washington, D.C.: U.S. Department of Defense, January 2012); and Susan E. Rice, "Remarks As Prepared for Delivery by National Security Advisor Susan E. Rice," Georgetown University, Washington, D.C., November 20, 2013, http://www.whitehouse.gov/the-press-office/2013/11/21/remarks-prepared-delivery-national-security-advisor-susan-e-rice.

109. Yoichi Kato, "Interview/ Mark Lippert: U.S. Deploys High-End Weapons in Pacific to Meet China's Challenge, Other Contingencies," *Asahi Shimbun*, May 29, 2013.

50–60 a decade ago, each of which is far more capable than its predecessors.[110] In June 2012, Secretary of Defense Leon Panetta announced that the United States would further enhance its military strength by continuing to replace obsolescent ships with more advanced ones, expanding and increasing military exercises, and reposturing its naval forces. Six of 11 aircraft carrier battle groups and 60 percent of the U.S. Navy's ships are scheduled to be homeported in the Pacific Ocean by 2020.[111]

Washington is also considering significant doctrinal innovation to enhance its warfighting capabilities in a potential conflict with China, exemplified by the controversial Air-Sea Battle Concept. Details remain murky and the concept remains under debate at a classified level, but it appears to entail developing new capabilities potentially to be employed in the event of a war to attack the mainland of a nuclear-armed nation.[112] Accordingly, it is seen by many in the United States, to say nothing of China, as very provocative, even destabilizing. As discussed earlier, the U.S. military is also significantly enhancing security cooperation and interoperability with its long-standing allies and partners in the region, as well as new partners, such as Vietnam.

Recent changes to the U.S. military's force posture show that its naval and air forces will increasingly focus on the western Pacific theater and engage security allies and partners—new and old. An overview of key official statements from American civilian and military leaders suggests that these policies stem not only from the objective reality of China's rapid military buildup and its increased capabilities, but also deepening concerns about bilateral political relations and China's military transparency.

The 2011 National Military Strategy states that the U.S. Joint Chiefs of Staff "remain concerned about the extent and strategic intent of China's military modernization, and its assertiveness in space, cyberspace, in the Yellow Sea, East China Sea, and South China Sea." The report goes on to state that U.S. "strategic priorities and interests" will increasingly be in the Asia Pacific region, that Washington will "invest new attention and resources" in South and Southeast Asia, and that it will deepen cooperation with and among U.S. al-

110. Scott Van Buskirk, "Remarks at Asia Society Hong Kong," February 21, 2011, http://www.c7f.navy.mil/news/2011/02-february/030.htm.
111. Leon Panetta, "The U.S. Rebalance towards the Asia Pacific," speech presented at the Eleventh Shangri-La Dialogue, Singapore, June 2, 2012.
112. For an unclassified summary of the Air-Sea Battle Concept, see Air-Sea Battle Office, *Air-Sea Battle: Service Collaboration to Address Anti-Access and Area Denial Challenges* (Arlington, Va.: U.S. Department of Defense, May 2013), http://www.defense.gov/pubs/ASB-ConceptImplementation-Summary-May-2013.pdf.

lies.[113] During a January 2011 trip to Asia, Secretary of Defense Robert Gates told reporters, "Funding for a new generation of long-range nuclear bombers, new electronic jammers and radar, and rockets to launch satellites would help the U.S. military maintain its competitive edge even as China flexes its growing military muscle," suggesting that despite China's rapid advancements in capabilities, the United States is determined to maintain military superiority.[114]

Evidence that China's lack of military transparency exacerbates U.S. concerns about Beijing's intentions by compelling worst-case-scenario-based planning is exemplified by Deputy Assistant Secretary of Defense Michael Schiffer's 2011 statement that "the pace and scope of China's sustained military investments have allowed China to pursue capabilities that we believe are potentially destabilizing to regional military balances, increase the risk of misunderstanding and miscalculation, and may contribute to regional tensions and anxieties."[115] In June 2010, Chairman of the Joint Chiefs of Staff Adm. Michael Mullen stated that he had "gone from being curious about where China is headed to being concerned about it."[116] Daniel Picutta, adviser to U.S. Pacific Command, asserted that "the People's Republic of China's stated goal of a defense-oriented military capability contributing to a peaceful and harmonious Asia appears incompatible with the extent of sophisticated weaponry China produces today. . . . Until it's determined that China's intent is indeed benign, it is all the more important that the U.S. continue to maintain the readiness of our forces."[117] Meanwhile, Bonnie Glaser, senior fellow at the Center for Strategic and International Studies, argued that "[Washington] is responding to measures that China is taking, and to the unwillingness of China to sit down and tell us what they're doing and what missions these new platforms and weapons are intended to achieve." In the same article, an unnamed

113. U.S. Joint Chiefs of Staff, *National Military Strategy of the United States of America* (Washington, D.C.: U.S. Department of Defense, February 2011), pp. 13–14, http://www.army.mil/info/references/docs/NMS%20FEB%202011.pdf.
114. Andrea Shalal-Esa, "Analysis: China Prism Focuses Pentagon Budget on New Weapons," Reuters, January 25, 2011.
115. U.S. Department of Defense, "DOD [Department of Defense] Press Briefing on the 2011 Annual Report to Congress: Military and Developments Involving the People's Republic of China" (Washington, D.C.: U.S. Department of Defense, August 24, 2011), http://www.defense.gov/Transcripts/Transcript.aspx?TranscriptID=4868.
116. Kathrin Hille and Mure Dickie, "China Reveals Aircraft Carrier Plans," *Financial Times*, December 17, 2010.
117. Jeanette Steele, "With Eye on China, U.S. Seeks to Define Asia Role," *SignOnSanDiego.com*, June 13, 2011, http://www.signonsandiego.com/news/2011/jun/13/eye-china-us-seeks-define-asia-role/.

American analyst is quoted as saying, "[The United States and China are] priming for a fight that I'm not sure either of us needs or wants to have."[118]

In a major speech in late 2013, National Security Advisor Susan Rice called on China to enhance military engagement and transparency in order to "manage the realities of mistrust and competition."[119] In the context of a discussion of factors that could lead to conflict and undo growing peace, stability, and prosperity in the Asia Pacific, the Pentagon's 2014 *Quadrennial Defense Review* references "the rapid pace and comprehensive scope of China's military modernization . . . combined with a relative lack of transparency and openness from China's leaders regarding both military capabilities and intentions." It calls for continued "rebalancing U.S. engagement toward this critical region," including strengthening security alliances and partnerships, as well as seeking out areas for cooperation with China in nontraditional security.[120] The secretary of defense's 2014 report to Congress on China's military makes the point explicitly: "China's lack of transparency surrounding its growing military capabilities and strategic decision-making has led to increased concerns in the region about China's intentions. Absent greater transparency from China and a change in its behavior, these concerns will likely intensify as the PLA's military modernization program progresses."[121] All of these statements suggest that the core logic of the security dilemma is a major factor shaping the United States' responses to China's rise.

Concomitant with growing concerns about China's surging military spending and rapidly improving capabilities, U.S. political and military leaders increasingly express concern about China's "assertive" and "aggressive" behavior vis-à-vis its vast and ambiguous claims in the South and East China Seas. These disputes, which in several cases directly involve U.S. allies and partners, further exacerbate concerns about China's trajectory.[122] U.S. official rhetoric has become more severe in response. Whereas in late 2013 National Security Advisor Rice referred to "the rise of maritime disputes in the East China Sea and South China Sea" as a "growing threat to regional peace and security—and U.S. interests" without mentioning China explicitly as the pro-

118. Michael Wines, "U.S. and China Try to Agree on Military Strategy," *New York Times*, July 14, 2011.
119. Rice, "Remarks As Prepared for Delivery by National Security Advisor Susan E. Rice."
120. Department of Defense, *Quadrennial Defense Review, 2014* (Washington, D.C.: U.S. Department of Defense, 2014), pp. 4, 16–17.
121. Office of the Secretary of Defense, *Military and Security Developments Involving the People's Republic of China*, Annual Report to Congress (Washington, D.C.: U.S. Department of Defense, 2014).
122. Shalal-Esa, "Aggressive Chinese Territorial Claims Bring Risks."

vocateur,[123] several months later Secretary of Defense Chuck Hagel implicitly accused China of "intimidation and coercion," as well as "destabilizing, unilateral actions asserting its claims in the South China Sea."[124]

DISCUSSION

The preceding empirical survey yields several preliminary conclusions. First, security dilemma dynamics appear to be important drivers of states enhancing military capabilities in the increasingly volatile Asia Pacific region. This dynamic is unfolding between China on the one hand and the United States and several of China's neighbors on the other. The cases can be divided roughly into three categories based on the drivers of their military capabilities enhancement measures vis-à-vis China. The first group of states—in declining order of severity of observable policy responses—includes the United States, Australia, Japan, and Singapore. These states may also have long-standing interest-based disputes with China—for example, Washington's frictions with Beijing over the international status of Taiwan—but recent security policy shifts and investments in enhancing military power also appear to be directly attributable to China's growing military capabilities and uncertainty about its strategic intentions. The second group of states have significantly enhanced their military capabilities for reasons directly connected to both China's military buildup in the abstract, and its more provocative behavior vis-à-vis specific disputes over material/territorial interests seen by their leaders as de facto revisionist. The former is seen as posing a more abstract threat, whereas the latter is perceived to be specific and imminent. Among the cases examined above, Japan (East China Sea) also appears to fall into this second category most clearly. The third group consists of states whose efforts to enhance their military capabilities seem driven primarily by perceived revisionist behavior vis-à-vis specific disputes over material/territorial interests. Vietnam (South China Sea) falls most clearly into this category.

Second, not all action-reaction military competition in the region is exclusively the result of security dilemmas. Direct conflicts over specific territorial/material interests are also important drivers of mutual arming. Despite frequent overlap, the conceptual distinction of causal mechanisms has theoretical and practical significance. For example, the mutual military buildups of

123. Rice, "Remarks As Prepared for Delivery by National Security Advisor Susan E. Rice."
124. Chuck Hagel, speech delivered to the IISS Shangri-La Dialogue, Singapore, May 31, 2014, http://www.defense.gov/Speeches/Speech.aspx?SpeechID=1857.

Vietnam and China seem to be driven primarily by a direct clash of interests—over territorial disputes in the South China Sea—whereas the potential threat posed by China's military buildup to Australia is far more abstract. Accordingly, Canberra's efforts to enhance its military capabilities are more suggestive of a traditional security dilemma dynamic. Although in both cases the observable outcomes—mutual military buildups and tensions—are similar, the core causal mechanism differs.

Third, even in cases where available evidence suggests that states' actual intentions may be status quo, the other side may not recognize that fact, which in turn exacerbates the security dilemma. Leaders from the three clearest candidates for security dilemmas with China—the United States, Australia, and Japan—have repeatedly voiced concern about China's lack of transparency regarding its military spending, capabilities, and intentions. China's leaders have repeatedly expressed a desire to enhance "strategic trust" and to "reduce misunderstanding and suspicion."[125] Yet if China is a status quo power—setting aside the important and complicated issue of its long-standing (and destabilizing) territorial sovereignty claims—its relative lack of military transparency appears to unnecessarily exacerbate extant insecurities caused by its rapidly growing material capabilities and military power. Other states' defensive reactions to this uncertainty in turn feed back and, by appearing threatening to Beijing, further intensify the security dilemma. Ultimately, both sides end up even more insecure and worse off.

Fourth, a significant amount of the action-reaction dynamic evident in the Asia Pacific—particularly in those states already possessing advanced militaries—manifests not as surging defense spending or quantitative personnel or arms buildups but as less easily measurable—but no less important—efforts to enhance military capabilities. The region has yet to witness traditional, full-scale arms races. Increases to defense spending appear roughly consistent with economic growth and seem sustainable, for now. At least outside China, leaders appear to have judged that targeted measures, rather than reflexive, reciprocal buildups reminiscent of the dreadnought race of a century ago, are more effective at enhancing military power in the twenty-first century. This trend is evident in the relatively efficient steps that the United States and China's neighbors have taken to shift their postures toward likely trouble spots, strengthen alliance coordination and military interoperability, preposition military assets, expand joint exercises and force rotations, and so forth.

125. Xi, "Work Together for a Bright Future of China-U.S. Cooperative Partnership."

States across the region are adopting these measures in a manner consistent with the security dilemma logic.

Finally, perceived intentions are significant in determining the incidence and intensity of security dilemmas. Even under anarchy, states' military policy responses to others are shaped not just by the other side's objectively identifiable capabilities, but also by international politics: the degree of mutual strategic (mis)trust, which in turn powerfully shapes how attempts at reassurance (i.e., signaling status quo intentions) are perceived.

Conclusion

The rise of China and rapid economic development throughout the Asia Pacific have changed the distribution of material capabilities in the region, raising the specter of a worsening and destabilizing military competition. This article has examined the salience of one possible driver of the action-reaction mutual arming already under way. Traditional, full-scale security dilemma–induced arms races do not appear to be occurring—at least not yet. Nevertheless, there is evidence of a security dilemma–driven spiral gradually unfolding between China and several states that is driving investments in military capabilities and that may worsen significantly in the years ahead.

While the objective fact of China's rapidly expanding material capabilities may be likely to elicit balancing responses from its neighbors to at least some degree under most circumstances, the pace and scale of Beijing's military buildup, its tendency to dismiss other states' concerns, and its low transparency about actual spending, capabilities, and intentions seem to be exacerbating regional tensions and, consequently threat perceptions vis-à-vis Beijing. Meanwhile, Washington's and other states' policies and messages of status quo intentions appear to be widely misinterpreted within the Chinese government as confrontational, even revisionist.

While the sources of security dilemma military competition may have deep structural roots, in the Asia Pacific today, its intensity is heavily contingent on situational variables—uncertainty, misperceptions, strategic mistrust, and the failure to establish credible assurances of restraint. Indeed, if the involved states recognize that current tensions are to some degree driven by a security dilemma, opportunities to ameliorate frictions exist. Specific to China's rise and its consequences, five types of steps may be particularly effective. Given space constraints, we focus our recommendations specifically on the United States and China.

First, Beijing and Washington must both recognize that they are at least par-

tially caught in a security dilemma. Self-understood defensively oriented policies are generating insecurity and military responses on the other side that make both countries less secure and trigger new rounds of competition. The United States must avoid being unnecessarily provocative in its strategic moves and rhetoric, more proactively explaining the comprehensive (not military-specific) nature of its growing focus on the Asia Pacific and linking it explicitly to a stable regional status quo that serves the interests of all. China's leaders need to appreciate the security dilemma as a concept—and as a security problem that threatens China's own interests—and adopt measures to significantly reduce widespread uncertainty about Beijing's military capabilities and intentions. China must recognize that its rise is not occurring in a strategic vacuum; while it has the right to develop military power commensurate with its coveted status, regardless of its true intentions, under anarchy doing so will have consequences as other states adopt measures to enhance their own security. Yet anarchy is by no means determinative of outcomes; without major changes to its policies and rhetoric, Beijing's military buildup may trigger even more severe, and unwelcome, defensive responses from the United States and others. Even well-intentioned states whose leaders do not harbor what Beijing often uncritically dismisses as "ulterior motives" to "contain China's peaceful rise" are likely to respond to its growing capabilities and uncertainty over its future intentions in ways that will leave China less secure. For leaders on both sides to acknowledge a security dilemma at work is to open up a bargaining space for reciprocal steps to manage and moderate the otherwise potentially dangerous spirals of competition.

Second, each side should do more to candidly share information about its interpretations of the other's policies and rhetoric. To do so effectively necessitates more active diplomacy—dialogues, exchanges, and ongoing intergovernmental working groups—and this must be a two-way street. The Strategic and Economic Dialogue held annually among policymakers in Washington and Beijing is a good first step. The goal of these dialogues is to provide more systematic and credible information about the intentions of the other side. This is particularly important in the area of intermilitary dialogues, where both sides must candidly explain their strategic intentions, operational goals, and doctrines. Intermilitary dialogues have increased, but remain infrequent, under-institutionalized, and superficial. They must not be conditional on the vicissitudes of political relations.

Third, both sides should increase transparency of their military capabilities, strategic objectives, and military policy decisionmaking. Greater transparency can reduce uncertainty, thereby decreasing the risks of miscalculations that

lead to war. Washington must more effectively explain why exactly China's low transparency harms strategic trust, making clear how the paucity of reliable information creates strong incentives for defensively oriented worst-case scenario planning. Beijing should understand that if its motives are in fact status quo-oriented, it does both itself and its neighbors a severe disservice by not being more transparent about the drivers and content of its military policies. Regardless of per capita income or other developmental metrics, China has the world's second-largest economy and military budget, with both growing rapidly. Under these conditions, and regardless of the Chinese Communist Party's and PLA's extremely conservative political culture and traditions, for policymaking to remain a closed and opaque system is unnecessarily destabilizing and invites miscalculation and military competition.

Fourth, both sides should establish and strengthen diplomatic mechanisms for bargaining. When the presence of a security dilemma is recognized by both sides, mechanisms need to be available for leaders to offer reciprocal, and verifiable, gestures of restraint. These sorts of bargains will ultimately need to be negotiated at the highest levels. Beijing and Washington also have strong incentives to significantly expand routine communications and strengthen personal relationships at all levels, which help to build confidence generally and, in the event of an unintended clash, can also significantly enhance crisis management.

Finally, China, the United States, and other countries in the region need to continue to shape and improve the wider political and strategic context in which military competition is unfolding. One check on security dilemma–driven military competition is the diffuse benefits in other domains (e.g., political, economic) put at risk by worsening spirals and strategic rivalry. Even in the military domain, cooperation in other areas—such as nontraditional security—can facilitate confidence building and expand the aperture beyond an exclusive focus of leaders on areas of friction and potential threat. The involvement of the PLA Navy in the 2014 RIMPAC multilateral exercises and, since 2008, the multinational antipiracy operation in the Gulf of Aden have demonstrated mutually beneficial gains from cooperation. With regard to maritime and territorial sovereignty disputes, until peaceful resolutions are achieved, the likelihood of an unintended clash can be reduced significantly through concrete and enforceable codes of conduct, shared exploitation of resources in the disputed areas, side payments, enhanced crisis management mechanisms, and regular investments in active diplomacy.

Not all military competition in the Asia Pacific in driven by the security di-

lemma logic, nor can all security dilemmas be solved through diplomatic bargains and policies of reassurance. There are no guarantees that any of the above steps will dramatically reverse the worsening strategic environment in the Asia Pacific, much less end strategic rivalry and military competition. China's rise is ongoing, and its true intentions are unknowable. While its provocative policies vis-à-vis maritime and territorial sovereignty claims present serious grounds for concern, especially regarding whether its leaders grasp how its policies are perceived outside China, a clash is by no means predetermined.

While history teaches us to be wary of security dilemma–induced military competition and war, it also demonstrates that not all cases of rising powers end tragically. No outcome is inevitable. How current frictions play out will be contingent on the choices of leaders. Given the catastrophic regional and global consequences of a war in the Asia Pacific today—recognized by leaders on both sides—even modest steps to reduce uncertainty and engender restraint are worthwhile. If Washington is to make the first move, it should make the steps delineated above one condition for possible future conferral upon China of Beijing's coveted recognition as a "great power." The "new-type great power relations" concept proposed by President Xi remains, at best, vague in specifics, and Washington's acceptance of it today is ill advised.[126] The concept, however, appears to be predicated at least partially on an encouraging, and shared, understanding of one obvious truth: avoiding a tragic race to military conflict is in the best interests of all states in the Asia Pacific, especially China.

126. See Andrew S. Erickson and Adam P. Liff, "Not-So-Empty Talk: The Danger of China's 'New Type of Great-Power Relations' Slogan," *Foreign Affairs*, October 9, 2014, http://www.foreignaffairs.com/articles/142178/andrew-s-erickson-and-adam-p-liff/not-so-empty-talk.