

Sources of Possible Crisis in East and South Asia

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Abstract

East Asia saw the world's worst armed conflicts in the first thirty years after WW2, but has since the end of the Vietnam War in 1975 been remarkably peaceful. South Asia has also seen several wars since the tragic separation of India and Pakistan in 1947. Most of the wars in this region have been shorter, or more localised, than the East Asian wars, but the trend towards more peaceful conditions is less evident in South than in East Asia. India and Pakistan have fought several wars between themselves, the latest one in 1999, and they have both acquired nuclear weapons. The peace process in Sri Lanka has run into serious difficulties, and no end is in sight to the civil war in Nepal.

While no multilateral alliances or formal security structures have been established in East or South Asia, the USA maintains a number of bilateral alliances and agreements on military cooperation, notably with Japan. Japan seems to be gradually developing a more active foreign policy, and may soon abrogate its constitutional prohibition against keeping an army or deploying military forces abroad. This might pave the way for spending more than 1% of the Japanese GDP on the military.

Three trends affect the sources of possible crisis in the region. The first is a general trend towards more secure states and less warfare, both internally and internationally. The second trend is the increasing power and regional influence of China. These are long-term trends. The third is the priority given in US foreign policy to the so-called 'war on terror'. It is more uncertain how long this will last. It depends

on the ability of terrorists to strike against US targets, and on internal American developments. The paper examines, in the light of these three trends, the most likely sources of crisis in the region (Korea, Taiwan, Kashmir, Pakistan), goes through the most important territorial disputes, comments on the status of nuclear forces, and discusses the fault lines between democratic and authoritarian regimes.

Introduction

More than half of the world's population live in East and South Asia, a region including the two most populous states in the world, China and India. For the purpose of this paper, 'East Asia' is used as a common denominator for Northeast and Southeast Asia. Hence it includes the Northeast Asian countries China and Taiwan, South and North Korea, and Japan, as well as the ten member states of the Association of Southeast Asian Nations (ASEAN): Brunei, Burma/Myanmar, Cambodia, Indonesia, Laos, Malaysia, the Philippines, Singapore, Thailand, and Vietnam.¹ As a region 'East Asia' is different from 'The Asia Pacific', which includes countries on both sides of the Pacific (Australia, New Zealand, the states on the west coast of the Americas, and Russia). 'South Asia' includes Bangladesh, Bhutan, India, the Maldives, Nepal, Pakistan, and Sri Lanka, but does not (at least in this paper) include Afghanistan, which is here considered a part of Central Asia (and is discussed in Gareth M. Winrow's paper). Taken together, East and South Asia represent 55% of the global population, 23% of the world's GDP, and 18% of global military spending.²

During World War II, the primary battlefields were in Europe and East Asia. In the first four decades after 1945, Europe did not see hot war, but East and South Asia did. In terms of battle deaths, the worst wars since 1945 have been the Vietnam War 1959-75, the Korean War 1950-53, the Chinese Civil War 1945-50, and the French Indochina War 1946-54. The separation of India and Pakistan in 1947 was accompanied by inter-communal violence costing close to one million lives, and these two countries later fought no less than four wars, in 1948, 1965, 1971 (when Bangladesh established itself as a separate state), and 1999 (the Kargil War). There

¹ It would make sense to also include East Timor and Papua New Guinea, but this will not be done here.

have also been a great number of insurgencies and civil wars in South and Southeast Asia, often between a government receiving support from one of the camps in the Cold War, and an insurgent movement getting help from the other.

Since the mid-1970s, East Asia has become remarkably peaceful, and has benefited from an impressive economic growth, while South and Central Asia have experienced devastating civil wars in Nepal, Sri Lanka, and Afghanistan. India has also faced small-scale, drawn-out rebellions in some of its states. Still it must be said that as a whole, East and South Asia have been moving towards relative peace and prosperity. Most states have gradually improved control of their territories and populations, and the less they have had to concern themselves with territorial disputes and rebellions, the more they have been able to focus on economic growth and development.

Despite this positive general trend, East and South Asia have not been able to create any regional alliances or framework for collective security. In South Asia, the predominance of India and its hostile relationship with Pakistan have prevented the South Asian Association of Regional Co-operation (SAARC) from becoming more than a talking club. In Northeast Asia the suspicious relationship between China and Japan has similarly prevented the establishment of any regional security framework. The absence of any comprehensive regional security co-operation has had two main consequences. First, it has preserved the crucial role of the US military presence in guaranteeing regional stability. The system of US bilateral alliances and co-operative agreements established during the Cold War did not lose its importance in the post-Cold War period. The USA, and its partner state Australia, maintain close security cooperation with Japan, South Korea, the Philippines, Malaysia and Singapore. They also co-operate with Indonesia in the field of security, but this relationship suffered during the crisis over East Timor in the late 1990s.

The second consequence of the absence of regional security co-operation has been to leave regional diplomatic initiatives to ASEAN, whose secretariat is in Jakarta. During the Cold War, one of ASEAN's main goals was to contain Vietnam, and prevent the spread of communism to the rest of Southeast Asia. At the end of the Cold War, the withdrawal of Vietnamese forces from Cambodia and the establishment of an internationally recognized Cambodian coalition government in 1991, ASEAN

² A slide will be shown here, with list of all states in the regions, with size of military budget,

became a successful framework for regional co-operation in the whole of Southeast Asia. Burma/Myanmar, Laos, Vietnam and Cambodia joined the association between 1995 and 1998. Meanwhile, ASEAN established a set of frameworks for annual security consultations with the Northeast Asian powers (ASEAN +3), and also with other great powers (The ASEAN Regional Forum). In the absence of any rapprochement between Japan and China and any solid framework for regional talks on security (The Asia Pacific Economic Co-operation, formed 1979, dealt only with economic matters), ASEAN+3 and ARF came to play significant roles. There is a possibility that this may be about to change. The 'all-East Asian' role of ASEAN may be reduced if the Six Party talks on Korea in Beijing are allowed to develop into a more permanent Northeast Asian consultative mechanism. The six parties meeting in Beijing are North and South Korea, China, Japan, Russia, and the USA.

The current situation in East and South Asia is characterized by two significant developments, in addition to the trend towards relative security and less warfare. The first is the rapid growth in China's military capabilities, its economy, and its regional diplomatic influence ('soft power'). And the second is the US-led 'war on terror', in response to the emergence of Jihadi terrorism as a joint threat to all the major states in the region. This 'terrorist threat' has notably manifested itself in the attacks against New York and Washington on 11 September 2001, against the Indian parliament in New Delhi on 13 December 2001, against several foreign or Christian targets in Pakistan, and against tourists in Bali on 7 October 2002. In the 'war on terror', South and Southeast Asia are perceived as 'battlefronts' in the same way as Central Asia, the Middle East, and the US 'home front'. The governments of East and South Asia have been ambiguous in their response to US counter-terrorist warfare. On the one hand, they have seen a chance to enlist American support for their repression of internal, sometimes externally supported, 'terrorist' groups. This is the case in India, the Philippines, Singapore, and also China, who faces Islamist separatism among the Turkish Uighur population in the vast and thinly populated Xinjiang province.

On the other hand, Asian governments also fear that the USA will utilise the threat from terrorist groups as an argument to encroach on the sovereignty of Asian nations through excessive demands for providing sensitive information, establishing

US listening posts and military bases, and even allowing 'preventive attacks'. These worries have notably been voiced by the governments of North Korea, China, Vietnam, the majority-Muslim nations Indonesia and Malaysia, and by public opinion in South Korea and Pakistan. In the whole region, Pakistan is the country that has been most affected by the Al Qaeda-US confrontation since 11 September 2001.

Sources of possible conflict

There are four problems in East and South Asia that could become flashpoints of armed conflict with serious regional and global ramifications, and which in various ways are affected by growing Chinese power and the US-led 'war on terror':

1. The continued division of the Korean peninsula, and the social, economic, and political crisis in North Korea, whose government has been pursuing a programme of building nuclear weapons.
2. The attempts on the part of the Taiwanese government to gain international recognition of its independent status vis-à-vis China.
3. The dispute between the two nuclear states India and Pakistan over Kashmir.
4. The internal conflicts in Pakistan between the military regime of President Pervez Musharraf and radical Islamist movements (*Jihadists*).

Korea

The Korean crisis has its origin in the division of Korea after World War 2, and the Korean War of 1950-53, which has never formally ended. North and South Korea remain divided in accordance with an armistice agreement made in 1953. Both North and South Korea are formally committed to a policy of national reunification, and since the election of Kim Dae-Jung as South Korean President in 1996, he and his successor Roh Moo-Hyun have tried to woo North Korean leader Kim Jong-Il by offering aid, investments and trading opportunities. North Korea remains a thoroughly isolated country, and its economy is in shambles. The North Korean famine of 1995-97 was one of the three worst human catastrophes in the last part of the 20th century (the others were the Rwandan genocide and the ensuing civil war in the D. R. Congo). North Korea suffers at once a social, economic, political, and ideological crisis. In an age of globalisation, which has allowed other communist states like China and

Vietnam to enjoy unprecedented economic growth, the *juche* philosophy of self-reliance has become a relic of the past. Kim Jong-Il is sufficiently astute to understand the need for drastic economic reforms, but seems unwilling to accept the risks involved in setting reforms in motion. If North Korea opens up its economy completely to international investments and trade with the South, then the North Koreans will discover how much better off the South Koreans are. New social classes will also emerge to demand political changes. To balance his budgets, Kim Jong-Il needs to drastically cut his military expenditure, but it is used to prop up a privileged class of officers, who are his main supporters. The process of change has started in North Korea with the introduction of local markets to replace the public distribution system, and the sending of students abroad. The reform process is probably irreversible. But there will be twists and turns, and Pyongyang will try to maintain a sense of national pride by demonstrating its independence in the foreign policy field. Kim Jong-Il badly needs American recognition, but wants to get it while standing up. He will not bend down on his knees.

How serious is the risk that the North Korean crisis could lead to another war on the peninsula? It is limited. North Korea's military capabilities are not sufficient to give Pyongyang any hope of winning a conventional war with the South. A new attempt to invade South Korea is thus highly unlikely. On the other hand, North Korea has enough conventional weapons, notably heavy artillery, to destroy the heavily populated Seoul, where there also is an American garrison. This makes a US or South Korean attack against the North an extremely risky option. The most likely development is a prolonged stand off, eventually leading to political change in the North, and to some kind of agreement with the South. The biggest risk is perhaps that the North Korean regime might implode, that internal power struggles in the North could turn violent, and that this could cause disruption and suffering of a magnitude that forced China, Japan, Russia or the United States to intervene.

In order to manage the stand-off between North Korea and the USA it seems crucial to further develop the present co-operation between China and the United States. Both have a strong interest in avoiding war on the Korean peninsula. They also share an interest with Japan and Russia in opening up routes of transportation through North Korea to boost regional trade. There will be new incidents, and North Korea might even try to test a nuclear weapon, but the Six Parties involved in the Beijing

talks about North Korea's nuclear programme (see below) will most likely also find a way to manage North Korea's transition to an open economic system.

The 'Taiwanisation' of Taiwan

The dispute over the status of Taiwan has its origin in the incorporation of the island in Nationalist China after World War II. It had then been a Japanese colony since 1895. When the Red Army won the Chinese Civil War in 1949-50, and established the People's Republic of China (PRC), it did not manage to conquer Taiwan, which in 1950 came under the protection of the United States. The Chinese Civil War continued in the form of a diplomatic and military contest between Mao Zedong's PRC and Chiang Kai-shek's Republic of China (ROC). The latter only controlled Taiwan and a few smaller islands (see below). Until 1972, the ROC represented China in the United Nations, and it was not until 1979 that the United States shifted its recognition from the ROC to the PRC. This shift was accompanied by a resolution in the US Congress, the Taiwan Relations Act, to continue providing the government in Taiwan with the means to defend itself.

In the 1980s, after Chiang Kai-shek's death, the Kuomintang government started a process of adjusting the political system in Taiwan to the new realities. There was clearly no longer any hope of taking back mainland China. A system whereby all mainland Chinese provinces were 'represented' in the National Assembly on Taiwan was abandoned. The Assembly instead became a body elected by the inhabitants of Taiwan. In 1988, the Kuomintang chose a new leader, Lee Teng-hui, who was born in Taiwan during the Japanese period and had studied in Japan. He accelerated the process of democratisation and 'taiwanisation', formally recognized the PRC in 1991, and eventually provoked a split of the Kuomintang into several parties. Through his 'Taiwanisation' policy, Lee Teng-hui actually paved the way for Kuomintang's loss of power, and the election of Chen Shui-bian, the leader of the opposition Progressive Democratic Party (PDP), as president in 2000. In his first period as president, Chen Shui-bian could not realise much of his programme because the opposition controlled the National Assembly. In March 2004, however, although the more China-friendly opposition had overcome its divisions and ran on a combined ticket, Chen Shui-bian managed to be re-elected (unless the ongoing recount should produce a different result), and now hopes to see his party gain a stronger position in the new National Assembly that is scheduled to be elected in December 2004.

The PRC sees Taiwan as a 'renegade province', insists on recognition by Taipei of the 'One China' principle, and would like to see Taiwan gain a status similar to the one given to Hong Kong in 1997. The government in Beijing has repeatedly threatened to invade Taiwan if it declares itself independent, and has deployed hundreds of missiles at the other side of the Taiwan Strait. An invasion from the mainland would not necessarily succeed, for several reasons. Taiwan has strong military capabilities of its own. The Chinese navy is not equipped with sufficiently strong amphibious forces. And Taiwan could expect American support. However, China could cause enormous destruction in Taiwan by attacking it with missiles, and the Beijing leaders would probably lose national credibility if they did not follow up on their threats against Taiwan if it did declare itself independent.

In 1995-96, China carried out missile exercises during the run up to Taiwan's first democratic presidential elections. President Clinton responded by sending a naval task force to the Taiwan Strait. In 2001, president George W. Bush declared, much to Beijing's consternation, that the United States would do what it took to defend Taiwan. By 2003-04, however, Sino-American relations had significantly improved, and Washington needed Chinese support to put pressure on North Korea. Under these circumstances, Washington pursued a policy of status quo between Taiwan and China, and started to see Chen Shui-bian as the main culprit for challenging the status quo. Hence Bush joined up with China in warning Taiwan against organizing a referendum that could be construed as a forerunner for a referendum on independence. Chen still went ahead with his referendum in parallel with the presidential elections on 20 March 2004, but the (complicated) proposal he was asking the voters to support was voted down.

Before the recent elections, President Chen Shui-bian repeatedly stated that Taiwan does not need to declare itself independent since it already is independent. Both Beijing and Washington thus came to fear that he would try to formalise Taiwan's de facto independence by asking the National Assembly to adopt a new 'Taiwanese' constitution in 2006, and seeking international recognition in 2008 – a year when Beijing want its Olympic Games to happen in an atmosphere of international harmony. Chen Shui-bian's inauguration speech on 20 May reduced such fears, since he promised not to alter the name of the Republic or to change its borders. As long as the Sino-American relationship continues to be co-operative, with

the US wanting China to put pressure on North Korea, Washington is likely to help China dissuade Taipei from further formalising its 'taiwanisation'.

There are obvious linkages between the Korea and Taiwan problems. The dispute between India and Pakistan over Kashmir is a different matter. Yet both China and the USA are also deeply interested in avoiding conflict between India and Pakistan. In the past, India used to have close ties with the Soviet Union, while Pakistan received assistance both from China and the USA. India and Pakistan's nuclear weapons tests in 1998 led to a temporary deterioration of their relationship with both the USA and China. Since 2001, however, both Pakistan and India have improved their ties both with China and the USA, who share an interest in stabilising the South Asian peninsula in order to counter the threat from Jihadi extremists, and secure the sea lanes from the oil ports in the Middle East through the Indian Ocean and the Malacca Strait to China, Korea and Japan.

Kashmir

The Kashmir dispute is partly a conflict between India and Pakistan, and partly a conflict between federal security forces and local Muslim insurgents in the Indian province of Jammu and Kashmir. A great many Kashmiris would prefer to have a separate state, while some insurgents want inclusion in Pakistan, and some fight for the more distant goal of 'liberating' all of India's Muslims. India accuses Pakistan of facilitating infiltration of 'terrorists' into the Indian-occupied part of Kashmir. The dispute has lasted since the formation of India and Pakistan in 1947. A war between them for control of the Muslim majority state of Kashmir, which had been ruled by a Hindu Maharaja, ended in a ceasefire in 1949, leaving India in control of two thirds, Pakistan one third. For both countries, Kashmir constitutes a core national question. The creation of Pakistan was built on a claim that all Muslim majority areas in the former British India should form their own Muslim states. Kashmir could therefore not belong to a Hindu-dominated India. In 1971, East Pakistan broke out to form Bangladesh, with Indian support. India has seen Kashmir as a test case for its status as a country where Muslims and Hindus co-exist. This way of seeing it was particularly predominant during the long rule of the secular Indian Congress Party.

In 1965, Pakistan infiltrated military and para-military personnel into Kashmir to generate an uprising, but failed. The majority of the population seemed to accept Indian rule. Later this changed. After a local election in 1987, which was felt by many

inhabitants to have been rigged, an open revolt started. At first it was led by people aiming for independence rather than joining Pakistan. Pakistan provided covert support to the rebels. By 1993-94, when the independence movement had been severely decimated by Indian repression, Pakistan had transferred its support to groups favouring Pakistani sovereignty. They were assisted by guerrilla fighters from Pakistan, later also from Afghanistan and Arab countries. The revolt, and India's violent repression of it, cost several tens of thousand lives.

In 1949, at the end of the first war between India and Pakistan, the two sides agreed on a Cease-Fire Line, which in 1971 became the Line of Control (LoC) that still separates the parts of Kashmir occupied by India and Pakistan. This line was more or less confirmed in the Simla agreement of 1972, which ended the war over the creation of Bangladesh. Although it remains unacceptable to Pakistan, the LoC is today a de facto border. Pakistan did not manage to alter it in the Kargil war of 1999, which ended in the withdrawal of Pakistani forces from fortified positions they had built on the Indian side of the LoC. In 2001, there was a short period of rapprochement between India and Pakistan, but when President Musharraf and Prime Minister Vajpayee met at a summit in Agra in July 2001 they failed to agree on anything. An acute crisis followed instead, after the terrorist attack on the Indian parliament in December 2001. By January, after the fall of the Taliban regime in Afghanistan, the two countries seemed to be at the brink of war, with troops massed on both sides of their border. However, neither Vajpayee nor Musharraf seem to have wanted war, and received strong warnings from the United States to avoid escalation.

Since the crisis of early 2002, relations have again improved. Meetings were held in 2004 both between representatives of the Pakistan and India governments, and between local Kashmiri representatives and the Indian government, to discuss a possible solution. Then, however, the victory of the electoral alliance led by the Congress Party in the Indian elections of April-May 2004 led to the replacement of Vajpayee's government by a government meant by the Congress Party's leading economic reformer Manmohan Singh. Although his government has declared its intent to continue the attempt to resolve the Kashmir issue with Pakistan, it does not necessarily share the ambition of former premier Vajpayee to do this quickly. There is also now a danger that the Hindu nationalist party BJP may be radicalised, and oppose any moves by Congress to compromise on India's national interests. President Musharraf's freedom of manoeuvre is also in some doubt. To get an agreement, he

probably needs to accept the LoC as an international border, but any such concession will be used against him by his many internal enemies in Pakistan. Yet an agreement to accept the LoC would benefit the local population. Once the border is formally accepted by both sides, communications may open across it. Families can re-establish contact, and trade can flourish. A solution to the Kashmir conflict will also probably endow the Kashmiris on either side of the LoC with a significant degree of autonomy. At the moment, however, a new crisis over Kashmir seems more likely than a negotiated agreement.

As long as the Kashmir dispute remains unresolved, there will be serious tension in the relationship between the two nuclear powers India and Pakistan. On the other hand, a resolution of the Kashmir dispute could actually *increase* the risk of internal conflict in Pakistan, since Pakistan's leaders have been in the habit of using the Kashmir dispute to rally the nation behind them. With the Kashmir issue out of the way it could prove more difficult to hold the Pakistani nation together.

The internal situation in Pakistan

Since 2001, Pakistan has played a central role in the US war against Al Qaeda. As Condoleezza Rice revealed in her statement on 8 April 2004 to the US Commission of enquiry into the 9/11 terrorist attacks, the United States had worked out a strategy for attacking Al Qaeda already before 11 September 2001. This strategy aimed at getting at the Taliban regime in Afghanistan through Pakistan rather than relying too much on the Northern Alliance. Shortly after 9/11, Pakistan was forced to break off its relations with the Taliban, clamp down on extremist groups internally, and allow the US to use the Pakistani air space in its bombing of Afghanistan. President Pervez Musharraf, who had seized power in a bloodless coup on 12 October 1999 and proclaimed himself president in June 2001, was compelled to sack the director of Pakistan's intelligence service (ISI), who had worked closely with the Taliban. In exchange for Pakistan's co-operation, the USA cancelled the economic sanctions it had imposed when Pakistan tested nuclear weapons in 1998, and provided the country with substantial military aid from 2002. No other state in East and South Asia, if not Indonesia, has reacted with the same degree of ambiguity to the US 'war on terror' as Pakistan. President Musharraf walks a tightrope between US demands, factional attitudes within his own army, nationalist sentiments with regard to the Kashmir issue, and resentment of the USA in Pakistani public opinion, notably among the Pashtun-

speaking people in the Northwest Frontier Province. In the parliamentary elections of October 2002, religiously based and vehemently anti-American parties made a strong showing. Pakistani politics are in general dominated by the land owning class of lowland Punjab, and they also control the Army. Yet they have little control of the mountainous area, where people have close affinities with Afghanistan, and hosted innumerable refugees from that country during the Soviet occupation. In that period, religious organisations developed an impressive number of religious schools (madrassas), and the Taliban movement grew out of these schools. Pakistan has had low economic growth rates in recent years, with dwindling foreign investments, low savings, and increasing dependence on foreign aid. There is a rising number of unemployed youth, and the government has only managed to disarm a few of the Islamists militias.

The terrorist attack on the Indian parliament in New Delhi on 13 December 2001, which apparently was carried out by people coming in from Pakistan, led India to accuse Musharraf of tolerating terrorist activities. This contributed to the crisis between India and Pakistan in early 2002. President Musharraf's position became even more difficult in 2003-2004, when the USA disclosed that the best known proponent of Pakistan's nuclear programme (see below), Dr. Abdul Qadeer Khan, had sold centrifuges and other essential technology for the production of highly enriched uranium to Iran, North Korea, and Libya. The USA allowed Musharraf to pretend that Khan had been operating on the black market without his government knowing, and Musharraf was even permitted to give Khan a presidential pardon (Hersh 2004). In exchange, Musharraf is likely to have promised to support more actively the efforts to eradicate the remaining Taliban and Al Qaeda groups in the border region between Afghanistan and Pakistan. Musharraf may also find it difficult to continue his opposition to allowing US forces to operate on the Pakistani side of the border, and is probably already tolerating a discreet presence of American special forces on the Pakistani side of the border. There is a risk that the efforts of the US and Pakistani authorities to eradicate the Taliban may lead to local civil war in the Northwest Frontier Province, and also to internal conflict between the Punjabi majority and more religiously inclined officers within the Pakistani army. Two attempts were made on President Musharraf's life in December 2003.

The internal situation in Pakistan is unstable. It is perhaps the most dangerous of all the sources of conflict discussed in this paper, since it is so deeply enmeshed in

the ongoing confrontation between the USA and radical Islamism, since Pakistan has nuclear arms, and since the situation in Pakistan is so closely related both with the developments in Afghanistan and with the interests of another nuclear power: China.

Other possible sources of crisis

I have chosen to focus on the four problems that are most likely to generate crises with serious global ramifications. The internal armed conflicts in parts of Indonesia, the Philippines, Burma, Sri Lanka, and Nepal have not been singled out for discussion, since they are unlikely to have serious consequences outside of the region. Yet they will be worrisome also from a global perspective if zones affected by civil war are used as sanctuaries for groups involved in trans-national terrorist activities. This could have merited a discussion of its own.

I have also refrained from indulging in speculation about the possibility that new conflicts might emerge. One source of insecurity is the general volatility of Sino-American relations, not only because of Korea and Taiwan. A possible source of tension is the enormous US trade deficit. The US might conceivably switch to more protectionist policies, while at the same time seeking to destabilize the Chinese communist regime by supporting demands for democracy. One other possible source of crisis, which is presently receiving increasing attention internationally, is the growing Chinese demand for oil. For the last ten years, China has belonged with Japan, South Korea, Taiwan, and the Philippines in the group of East Asian countries whose economies depend on Middle Eastern oil. The global dependence on Middle Eastern oil is again increasing after a period when other oil provinces increased their share of the global production, and this reverse trend is likely to continue. There is a growing need for long term investments in the discovery and production of Middle Eastern oil, and in order to obtain investments it is imperative to have political stability. If the war in Iraq spills over into the Greater Middle East, affects Iran, Saudi Arabia or other Gulf states, another oil crisis will arise. This could lead to a scramble for oil among the importing countries. China would have to take part. While their dependence on oil imports gives China, Japan, and the United States a shared interest in safeguarding the free flow of oil on the world market, they might get into conflict with each other over scarce resources if the supply side should falter because of politics and war.

It is also possible to imagine an economic downturn in China causing internal strife between regions and social classes. This could bring Japan and/or the United States to intervene. Reproducing an old historical pattern, Japanese firms have invested heavily in north-eastern China. Paradoxically, China's persistently impressive economic growth for more than 25 years may be seen as a source of insecurity. Growth has produced enormous social and regional inequalities, and a whole generation of Chinese have got used to continuous growth. There is no way of knowing if the population would be willing to tolerate the rule of the Chinese Communist Party also during an economic crisis. But these possible sources of future crisis are difficult to discuss seriously, since prophecies of drastic change are always far more speculative than forecasts building on current trends. The safest bet is that the most generally recognized problems today will also be the main sources of possible crisis tomorrow.

One well known quantity in international affairs is territorial disputes. They have been at the core of most wars in history. Although we live in a period of globalisation, with trans-national factors playing a growing role in international affairs, territorial disputes will continue to be major sources of crisis and war also in the future.

Territorial disputes

We have already discussed three of the most critical territorial disputes in East and South Asia:

1. North and South Korea have been separated by a military demarcation line within a four kilometre wide Demilitarized Zone since 1953. Until 2000 this border was completely sealed off. Now Southern tourists visit certain designated areas in the North, and there are plans to develop communication lines across the border. North and South Korea also have a dispute over the prolongation of the demarcation line into the sea. There have been several clashes between the two Korean navies, notably during the crab fishing season in June.

2. The Taiwan issue is in itself a territorial conflict over the island's status vis-à-vis mainland China. This affects the status of certain islands in a paradoxical way. Taiwan occupies the Pescadores (Penghu islands) in the Taiwan Strait, as well as the Qinmen and Mazu close to the Chinese coast, Pratas Island (Xisha) southeast of Hong

Kong, and also the biggest of the Spratly islands (Itu Aba, or Taiping Dao). If Taiwan were to gain recognition as an independent state, then the PRC would no doubt claim and take possession of these islands (perhaps except the Pescadores). However, at present Beijing prefers that the forces of the ROC on Taiwan continue their occupation of these islands since this demonstrates that Taiwan is a part of China.

3. Kashmir is primarily a territorial dispute between India and Pakistan, with India occupying two thirds of the former state, and Pakistan one third. The border between Kashmir and China is disputed between India and China, and India has protested a Sino-Pakistani agreement made in 1965 concerning the border between China and the Pakistan-occupied part of Kashmir.

In addition to these three territorial disputes, a number of other border disputes in East and South Asia will be listed below. It is useful to distinguish between disputes over land borders, contested islands, and maritime delimitation.

Land borders

As part of its effort to eliminate possible sources of conflict, *China* has actively sought border agreements with its neighbouring states, and made considerable efforts to jointly demarcate the borders. It has thus resolved most of its disputes with Russia, Kazakhstan, Tajikistan and Kyrgyzstan, and has made no attempt to resume its historical claim to (Outer) Mongolia. As a follow-up to its 2001 Treaty of Good Neighbourliness, Friendship, and Cooperation with Russia, China continues to seek an agreement on some small alluvial islands at the confluence of the Amur and Ussuri rivers, and also a small island on the Argun river. China co-operates with Russia and the Central Asian states within the 'Shanghai Five' (now 'Shanghai Six') in seeking to control migration, prevent terrorism and smuggling, and promote legal trade. In Siberia, the growing trade with China and the growing number of Chinese immigrants cause some anxiety that the authority of the Russian state may in the long run be undermined, but this is not related to any territorial conflict.

Certain islands in the Yalu and Tumen rivers are disputed between China and North Korea, and China is worried by illegal migration of North Koreans into Manchuria. This is one of China's reasons for playing such an active role in the multilateral attempts to resolve the Korean crisis. In 1999, China arrived at a land border treaty with Vietnam, and it has later been ratified by both sides. Once the actual demarcation of the border started, however, it led to massive criticism from

Vietnamese dissidents, accusing their government of having sold out of the national heritage without informing the population. This is now mainly an internal problem in Vietnam. China has been eager to resolve its dispute with India over their rugged, militarized boundary in the Himalayas, where China emerged victorious from a border war in 1962. The two sides have carried out more than 13 rounds of joint working group sessions on this issue. In February and March 2004, the Defence Ministers of India and China visited each other, and discussed ways of maintaining peace along the various sections of the border. At the same time, China recognised Indian sovereignty in Sikkim.

As a peninsular state, *India* does not have to guard as many borders as China, but India's borders are less secure than China's. India cannot accept the Chinese occupation of Aksai Chin or other parts of the line of delimitation established by China after its victory in the war of 1962. This is why China has not so far been able to regulate its border with India in the same way as with its other neighbours. India's main border problem, however, is not with China, but Pakistan (see the discussion of Kashmir above). As recently as 2002, India massed troops along the Pakistan border in a crisis that seemed close to war. A joint Indian-Nepalese border commission continues to work on small disputed sections of their boundary, and India watches the border carefully to prevent transit of Nepalese Maoist guerrillas. India's discussions with Bangladesh over the border between the two parts of Bengal remain stalled. They cannot agree on how to delimit a small section of river boundary, or on how to demarcate and fence their porous land boundary, allocate divided villages, and stop illegal trade across the border line.

In continental Southeast Asia, *Thailand* has behaved in the same way as China, actively seeking to complete the demarcation of its borders in co-operation with the neighbouring states. The work has been achieved with Cambodia, although a dispute remains over access to a temple. Thailand and Malaysia have demarcated most of their border, except for a one kilometre segment at the mouth of the Kolok River, but the effectiveness of border controls emerged as an issue in 2004, when Thailand accused Malaysia of allowing terrorists to infiltrate into Thailand and launch attacks against Thai targets. Demarcation with Laos has also been completed, except for certain Mekong River islets. Differences remain, however, with Burma (Myanmar), despite continuing border committee talks. The Thai-Burmese dispute is

not so much over boundary alignment as over the handling of ethnic rebels, refugees, and illegal cross-border activities.

The landlocked state of *Laos* has also been quite successful in demarcating its borders, but Cambodia and Vietnam still have a problem. The Cambodians remain opposed to boundaries established during the colonial period by the French authorities, since they are seen to favour the Vietnamese. Cambodia recently accused Vietnam of moving and destroying boundary markers and encroachments and of initiating border incidents, and several Cambodian politicians refuse to give up the idea that much of southern Vietnam (Kampuchea Krom) actually belongs to Cambodia. This includes the large Phu Quoc island, which is seen to block Cambodia from claiming its rightful part of the Gulf of Thailand. Future territorial conflicts between Cambodia and Vietnam cannot be excluded, although probably not as long as Hun Sen is in power in Phnom Penh, or as long as Vietnam remains on friendly terms with Cambodia's potential allies, such as China.

Insular Southeast Asia, which is dominated by the two archipelagic states of Indonesia and the Philippines, does not have many problems with land borders, but some territorial disputes remain:³

- Separatist movements in the Indonesian provinces of Aceh and West Papua fight for independence.
- The Philippines continues to claim the Malaysian state of Sabah as a part of the former Sulu Sultanate. However, no one expects the Philippines to back up this claim by force.
- The heavily armed city state of Singapore is based on an island at the tip of the Malay peninsula. The Singaporeans are acutely aware of their vulnerability, squeezed as they are between Malaysia and Indonesia. They have a dispute with Malaysia over guarantees for the delivery of fresh water, over attempts to reclaim land from the sea, one tiny island, and their maritime boundary.

Disputed islands

A number of islands in the Indian Ocean and the East Asian seas are claimed by more than one country, and disputes over sovereignty to islands have given ground for

³ A dispute between Malaysia and Indonesia over sovereignty to the Basilan island east of Borneo was resolved by the International Court of Justice in 2003, in Malaysia's favour.

many incidents and diplomatic crises. The four most politicized disputes concern the South Kuriles, Liancourt rocks, Senkaku/Diaoyu, and the Spratlys and other islands in the South China Sea.⁴

The South Kuriles were occupied by the Soviet Union when it joined up with the Allies and attacked Japan in August 1945. Japan claims them as its 'Northern Territory'. As a consequence of this dispute, no peace treaty has ever been signed between the Soviet Union and Japan, so technically Russia and Japan remain in a state of war. At the end of the Cold War, many expected a bankrupt Soviet Union to give the South Kuriles back to Japan in exchange for aid and investments. However, it took until 1997 before the Russian and Japanese leaders were able to issue a joint statement that they intended to resolve the Kuriles issue. Then they failed to deliver on their promise. The relationship between Russia and Japan remains hampered by the dispute over the South Kuriles, which arouses national sentiments on both sides. This is one of the reasons why Japan's regional rival China has been so much more successful in its Russian diplomacy. Japan remains stuck in its bilateral alliance with the USA. Despite its economic strength it does not wield much political influence in the region. Yet the Kuriles dispute is unlikely to become the source of any crisis.

Japan's relations with South Korea and China are impeded by disputes over two small uninhabited islands, the Liancourt Rocks east of the Korean peninsula, which the Japanese call 'Take-shima' and the Koreans 'Tok-to', and a rock between the Japanese Ryukuyus (Nansei-shoto) and Taiwan, which the Japanese call 'Senkaku-shoto' and the Chinese 'Diaoyu Tai'. The latter rock is occupied by Japan, and claimed both by the ROC on Taiwan and the PRC in mainland China. Nationalist Chinese activists in Taiwan and Hong Kong have chosen the Diaoyu issue as a focus point for their struggle against Japan, and have provoked several incidents involving vessels of the Japanese coast guard.

The 'Spratlys' in the South China Sea consist of 30-40 islets and a great number of submerged reefs. They are disputed among no less than five states: Vietnam, the Philippines, Malaysia, the PRC and the ROC (Taiwan). All of them keep small garrisons on some of the islets or on platforms constructed on reefs. A sixth state, Brunei, claims an exclusive economic zone (EEZ) running through the archipelago and encompassing some of the islets. Other small islands in the South

⁴ South Talpatti Island in the Bay of Bengal, just south of the land border between India and Bangla

China Sea are also disputed. The Paracel island group is claimed by China and Vietnam. China occupied half of it in 1955, and seized the other half from South Vietnam in 1974. Scarborough Reef, west of Luzon, is claimed by the Philippines and China, and has been the scene of several incidents. The ROC (Taiwan) also claims both the Paracels and Scarborough Reef on behalf of 'China', but will probably have to give up these claims if it moves further along its policy of 'Taiwanisation' and stops making claims on behalf of China.

For three reasons, these island disputes are unlikely to become the flashpoints of a major crisis. The first reason is strategic. Small islands are easy to seize, but hard to defend. If one state decides to seize an islet occupied by another state, it can only deter the other state from reoccupying the island if it has overwhelming naval force and is able to control the air space. None of the claimant states in the South China Sea have such capabilities. Only the US Navy has, and the USA is not interested in these islands. The second reason is economic. The disputed islands have virtually no economic value in themselves. And the third reason is legal. The main reason why the five states claim and occupy these islands is to gain international recognition of sovereignty, so the islands can be used as bases for claiming territorial waters and exclusive economic zones (hence fishing rights) and continental shelves (hence prospects of finding oil). However, a territory acquired by force does not provide any legal title in international law. Thus there will not be any hot war over these islands, only repeated incidents used to signal intentions, and a constant war of words to produce a historical record that can be utilised in future negotiations, as a basis for international arbitration, or in preparing a case for the International Court of Justice in the Hague or the International Tribunal for the Law of the Sea in Hamburg.

Future incidents in the South China Sea will hopefully be of a more benign form than previously since all the claimants (except Taiwan, who was not invited) signed a Declaration on the Conduct of Parties in the South China Sea in November 2002. In this Declaration they solemnly pledged to refrain from resorting to violence. The most recent row over the Spratlys in April 2004 seems to indicate that the Declaration has had an effect. Vietnam sent a group of tourists to do scuba diving from the Vietnamese-occupied Spratly islets, and Taiwan erected a bird-watching stand. Indignant diplomatic protests were issued by some of the other claimants, but

Desh, is disputed between these two states.

no violent actions. It should be added that not all incidents are instigated by governments. Sometimes nationalist dissident groups are behind them, or special interest groups such as fishermen, who seek to embarrass their own governments. The main casualties of the island disputes are not likely to be soldiers, but fish and those animals and humans who depend on protein from seafood. This is because the disputes prevent the delimitation of maritime borders. As long as maritime borders are not being fixed, no one takes responsibility for protecting the marine environment or managing the fish stocks. The problem of over fishing is already acute.

Maritime delimitation

The reason why a number of seemingly valueless islands have been so hotly disputed since the 1970s is the United Nations Convention on the Law of the Sea (LOS Convention), which authorises states to claim an exclusive economic zone and continental shelf of no less than 200 nautical miles measured from base points on their coasts or islands.⁵ The LOS Convention resulted from a conference lasting from 1973 to 1982. It entered into force in 1994 when the 60th state ratified it, and has now been ratified by 145 of the United Nations' 195 member states (although not yet by the USA). Of the states in East and South Asia, only Bhutan, Cambodia, East Timor, North Korea and Thailand have not yet ratified it.⁶

It is essential to remember that the question of sovereignty to islands is *not* regulated by the LOS Convention, which concerns only the sea, seabed, and the air space. It is therefore essential to determine if a reef is submerged or above the water, i.e., an island. It is possible to claim sovereignty to features rising above the sea (high tide elevations) on the basis of a historic title, effective utilisation, or occupation, but it is impossible to claim sovereignty to a submerged reef, even if it is transformed by human construction into an artificial island. A submerged reef is part of the seabed, and comes under the sovereignty of the state that can claim it as part of its continental shelf, on the basis of distance from its coast or natural prolongation of its land mass, using the methods of calculation prescribed in the LOS Convention.

⁵ Under certain conditions, states can claim even longer continental shelves.

⁶ The LOS Convention was ratified by the states of East and South Asia in the following order: The Philippines 1984, Indonesia 1986, Comoros 1994, Singapore 1994, Sri Lanka 1994, Vietnam 1994, India 1995, Brunei 1996, P.R. China 1996, Malaysia 1996, Japan 1996, South Korea 1996, Mongolia 1996, Myanmar/Burma 1996, Pakistan 1997, Papua New Guinea 1997, Nepal 1998, Laos 1998, Maldives 2000, Bangladesh 2001. http://www.un.org/Depts/los/reference_files/status2003.pdf

Partly because of the unresolved question of sovereignty to several islands, partly because of limited knowledge of international law, and partly due to sheer inertia, the states in East and South Asia have not had much progress in delimitating their maritime boundaries. An overview of delimitation agreements in the Indian Ocean, Bay of Bengal, South China Sea, Gulf of Thailand, East China Sea, Yellow Sea, and the Sea of Japan, may be found in Labrecque (1998: 339-367). The main factor pushing governments to seek agreements is the prospect of discovering oil. Maritime delimitation is a precondition for awarding blocks of exploration to oil companies. One of the areas where there has been significant progress is the Gulf of Thailand, where Malaysia, Thailand and Vietnam have signed delimitation agreements with each other. It only remains to include Cambodia in the system.⁷ In 2000, Vietnam also agreed with China on treaties of delimitation and fishing rights in the Gulf of Tonkin, and after four years of negotiating a set of additional protocols these treaties are probably ready for ratification in the autumn of 2004. In June 2003, after 25 years of negotiations, Vietnam and Indonesia concluded a treaty of delimitation for the area between the Indonesian Natuna Island and the southern tip of Vietnam.

It should not be necessary here to go into the details of the many overlapping and unresolved maritime boundary claims, since such disputes rarely give ground for any military confrontation. Maritime delimitation is essential for environmental and economic reasons, but not from a narrow perspective of traditional security. A far more burning security issue, of course, is the proliferation of nuclear weapons. All the four disputes discussed above concern more than one state with a nuclear capability.

Nuclear weapons

The biggest military spenders in East and South Asia, measured in USD, are Japan with 46.7 billion in 2002, China 31.1 (SIPRI estimate), South Korea 13.5, India 12.8, Taiwan 7.3, Singapore 4.7, Pakistan 3.2, Malaysia 1.9, Thailand 1.8, and North Korea 1.5 (SIPRI 2003: 348). Of these states, China, India and Pakistan are nuclear powers, and although Russia and the USA still target most of their enormous nuclear arsenals against each other, their nuclear capabilities must count heavily when discussing the

⁷ In the absence of a treaty of delimitation, Cambodia and Thailand signed an agreement on 18 June 2001 on the joint exploration of oil in a contested zone between them.

balance of forces in East and South Asia. Japan, despite its constitutional prohibition against having an army and operating militarily abroad, has the second strongest and most modernised military force in East Asia today (after its ally, the USA). Japan is also generally considered to have the technology, raw materials and infrastructure available to become a nuclear power almost over night. South Korea and Taiwan have both been prevented by the USA from launching nuclear arms programmes, but may have made preparations to do so in the future in case they should lose confidence in US protection.

China was reported to have 402 nuclear warheads in January 2003, of which 282 were strategic. While this corresponds to only 5-6% of the US and Russian arsenals, the number is higher than that of the UK and France, so China is the world's third largest nuclear power. It is not quite clear if China has responded to the prospect that the USA may deploy a National Missile Defence (NMD) system by initiating plans to increase its arsenal of Inter Continental Ballistic Missiles (ICBMs), or if it just aims at modernising its existing force. The latter choice would allow the People's Liberation Army to concentrate on developing short and medium range missiles in preparation for a localized conflict over Taiwan. China does not at present have any sea based nuclear forces, but has started a project to develop Submarine Based Nuclear Missiles (SIPRI 2003: 619-621).

In 1998, India and Pakistan both tested nuclear weapons, in contravention of the Non Proliferation Treaty (which neither of them has signed). In January 2003 each of them was thought to have somewhere between 30 and 50 warheads (SIPRI 2003: 611), which should be enough to ensure Mutual Assured Destruction (MAD). Estimates of their arsenals vary, however, and it is uncertain how much fissile material the two countries have been able to produce. There is also disagreement as to whether or not India has actually developed a thermonuclear capability, but it is generally assumed that New Delhi works on expanding its nuclear stockpile. India's short and medium range AGNI missiles are believed to have a nuclear role. Like China, India also has a project to develop a Submarine Based Nuclear Missile (SIPRI 2003: 622-624). Pakistan's missile technology is generally considered to be less developed than India's, and has been dependent on assistance from China and North Korea. With Pakistan's current dependence on the USA it will be difficult to continue co-operation with China – and certainly North Korea. The recent dismissal of the long term director of Pakistan's nuclear programme, after it was disclosed that he had been

selling nuclear technology to Libya, must also have made it more difficult for Pakistan to actively pursue its nuclear programme. The fact that Pakistan and India are likely to have a second strike capability makes it possible that a 'cold war stability structure' could emerge in South Asia, but the two countries may not yet have gone through a crisis of similar importance to their relationship as the Cuban missile crisis had to the US-Soviet relationship. It is quite scary that the two countries have actually fought a war between themselves (the Kargil war) since they acquired nuclear weapons. It seems fully possible that there will be more crises, with danger of escalation into war and a possible catastrophe before the fear of armageddon will compel both countries to seek a lasting modus vivendi. A crisis situation may be further complicated by the fact that China, as an ally of Pakistan, is also a nuclear power.

Indian commentators have expressed worries for the custodial security of Pakistan's nuclear weapons. An Indian official claimed in early 2003 that Pakistan keeps some of its nuclear weapons hidden in the Chagai hills of Baluchistan, an area where the local population has sympathy for the Taliban and Al Qaeda (SIPRI 2003: 625). The main risk scenario as far as Pakistan's nuclear weapons are concerned, may not be utilisation by the government in a war with India. The risk is rather that they end up in the hands of an extremist faction during an internal conflict in Pakistan, or during a conventional war between India and Pakistan, which has brought the Pakistani Army close to collapse. If India were about to defeat Pakistan in a conventional war, then control of Pakistan's nuclear weapons would become a matter of acute concern.

At present, the most controversial nuclear proliferation issue in Asia concerns Pakistan's missile partner North Korea. Around 1980, the regime of Kim Il-sung embarked on a campaign to build a series of nuclear facilities that could produce nuclear energy and weapons grade plutonium. In 1985 (unlike India and Pakistan) it acceded to the Non Proliferation Treaty (NPT), but its facilities were not discovered until 1992, when the International Atomic Energy Agency (IAEA) sent six inspection missions to the country. The inspectors found discrepancies in the reported quantities of nuclear waste, leading to suspicion that North Korea had extracted weapons grade plutonium for military use. In 1993, when the IAEA requested to see one specific waste site, North Korea reacted by threatening to withdraw from the NPT. This unleashed a major crisis with the USA, leading to the US-North Korea Agreed

Framework of October 1994, which obliged North Korea to freeze its plutonium production, and subject itself to inspections by the IAEA. The US estimated that North Korea *might* already at that time have produced enough plutonium for one or two nuclear weapons. The Agreed Framework lapsed in 2003, the deadline set for the US to provide North Korea with two light water nuclear plants. The US failure to fulfil this promise, and the disclosure in October 2002 that US intelligence had detected a secret North Korean uranium enrichment project, initiated several years earlier in contravention of the Agreed Framework, led to a new crisis. The uranium enrichment project, which was carried out with assistance from Pakistan in exchange for North Korea's assistance with producing missiles, aimed to produce highly enriched uranium. The US reacted by interrupting the regular oil deliveries it had committed to provide under the Agreed Framework. North Korea retaliated by withdrawing from the NPT, expelling the IAEA inspectors, moving spent fuel rods which had been under IAEA inspection since 1994 back to its Yongbyon plant, and apparently resuming the operation of its research reactor there. This means that it could now produce sufficient waste to produce enough weapons grade plutonium for one nuclear weapon yearly (IISS 2004: 48).

We do not know whether or not North Korea actually has nuclear weapons, but Pyongyang has by no means tried to dissuade the rest of the world from thinking so. North Korea does have the capacity to produce enough fissile material for building nuclear bombs (IISS 2004: 47-48), and several test launches have shown it has short and medium range delivery systems, perhaps also long range, for nuclear bombs.

North Korea was included with Iran and Iraq in what President George W. Bush in his State of the Union address on 29 January 2002 called an 'axis of evil'. While President William J. Clinton had supported South Korea's sunshine policy towards North Korea, and had planned to strike a missile deal with the North Korean regime during a planned visit to Pyongyang in 2000, President Bush chose to strongly denounce the North Korean regime, and distance himself from the South Korean policy of rapprochement. This made it impossible to avoid the crisis that erupted in 2002.

As a result of a stand-off between North Korea and the USA, China stepped into the diplomatic role of trying to put pressure on Pyongyang, and mediate between North Korea and the USA. Three Party talks were held in Beijing between the USA, China and North Korea in April 2003, but did not lead to any agreement. While North

Korea proposed an agreement in stages, where at each stage it would abandon one part of its nuclear programme in exchange for US recognition, aid, and a non-aggression treaty, the USA demanded a complete and verifiable dismantling of all of North Korea's nuclear facilities before any concessions could be made by the US side. In August 2003 and February 2004, Beijing hosted Six Party talks on North Korea, with delegations from Japan, Russia and South Korea joining up with the North Koreans and Americans. There was still no agreement, but the February 2004 meeting decided to establish joint working groups and to meet again before July.

The North Korean stakes are high. Kim Jong-Il fights for the survival of his regime, and wants to play one card at a time in order to extract as many concessions as possible from the United States, Japan and South Korea. The United States does not want to reward North Korea's 'bad behaviour', and therefore refuses to make any concessions until Pyongyang has backed down. China accuses the United States of being inflexible. It is quite interesting how US intransigence is allowing China to step into the role as the moderate, responsible, and constructive international player.

Until 11 September 2001, the US plans for National and Theatre Missile Defence systems (NMD and TMD) provoked fears of a new arms race in East Asia. Many commentators expected China to expand its strategic nuclear forces in order to remain certain of maintaining a second strike capacity. The Spring and Summer of 2001 were characterized by tension in the Sino-American relationship. One of the effects of the US 'war on terror' was to push concerns about NMD and TMD into the background, and to improve Sino-American relations. Instead of NMD, attention focused on proliferation issues, and the risk that a 'rogue state' could provide weapons of mass destruction (WMD) to terrorist groups. These fears did not provoke any criticism of China or India. China is one of the five recognized nuclear powers in the NPT, and a member of the UN Security Council. The USA needed China's help in forcing North Korea to dismantle its nuclear programmes. Although China had often in the past been accused by the Americans of providing Pakistan, Iran and other countries with technologies that might be used to produce or deliver WMD, such accusations were not heard in the aftermath of 11 September. And although India had never signed the NPT, and had challenged the international community by carrying out its nuclear test in 1998, New Delhi was not singled out for criticism. Its interest lay in joining the US effort to curb Islamist extremist groups, since this would also be likely to curb Pakistan's possibility to sustain the rebellion in Kashmir.

While the nuclear powers India, China, the USA and Russia were more or less exempted from criticism of their nuclear policies in the aftermath of 11 September, the USA and the IAEA focussed on the demand that North Korea abandon its nuclear weapons programmes, and on preventing proliferation of nuclear technology from Pakistan to Libya, Iran and North Korea. Proliferation issues gained renewed importance internationally in the wake of the 11 September attacks, and pushed softer issues, such as democracy and human rights, more into the background.

Democratic and non-democratic regimes

The fact that North Korea is a personal dictatorship, with less individual freedom than perhaps any other country in the world, does play a certain role in the Bush Administration's tough attitude in the talks about the nuclear issue. But the anti-democratic character of North Korea is not Bush's primary concern. One of the casualties in the 'war on terror' is the US campaign for human rights and democracy. Demands for democratisation play a role in US denunciations of 'outlaw states', and in its calls for transforming the Middle East, but authoritarian states who are eager to co-operate in repressing trans-national terrorism are not only tolerated, but actively supported by the United States. Libya, Pakistan, Uzbekistan, Saudi Arabia and China are all good examples of this. Bush even stood by the side of Chinese premier Wen Jiabao in January 2004, criticizing the Taiwanese president for intending to organise a democratic referendum. US support for the people of Hong Kong in their struggle for democracy has also been meek.

Still the question of democracy does play a role in defining patterns of co-operation and enmity within East and South Asia. We may divide the regional countries into five groups:

1. Authoritarian states, which do not have free, competitive elections on the national level, and do not allow any freedom of opinion or assembly. North Korea, China, Vietnam, and Laos are all governed by a monopoly communist party. Burma is run by a military junta, and has close affinities to China, Laos and Vietnam. Bhutan and Brunei are small, non-democratic monarchies.

2. States with a historical record of frequent coups and alternation between democratic and authoritarian rule. Pakistan and Bangladesh belong in this group. The Philippines and Thailand were in the same category in a not so distant past.

3. States with relatively free national elections, but with national politics dominated by one political party. The rich, industrialized countries Japan, Singapore, and Malaysia belong here. In 1993, Japan passed the ultimate democratic test of removing the dominant party from power after a lost election, but within less than a year, the Liberal Democratic Party (LDP) was back in government. Singapore and Malaysia have been governed without interruption by the People's Action Party (PAP) and the United Malaysian National Organization (UMNO) and its Barisan Popular front since before they became independent states in 1957 and 1965.

4. Unstable states with relatively free national elections and a historical pattern of recurring civil war on at least a part of the territory. This is a large group. Cambodia has escaped civil war since the collapse of the Khmer Rouge in the early 1990s, but there are frequent violent incidents in the power struggle among the three largest political parties. The Philippines has remained democratic through a period of considerable political turmoil since the People's Revolution of 1986. However, there has been civil war in Mindanao and the Sulu archipelago. Nepal has relapsed into a state of civil war between the royal government and Maoist guerrillas. In Sri Lanka, after more than twenty years of active warfare between the government and the Tamil Tigers (LTTE), a ceasefire agreement was signed in February 2002. Yet the parties have not been able to agree on a political solution. The Tamils participated massively in the national elections in April 2004, but the party on the Sinhalese side that had done most to promote peace, lost power. Soon after the elections, the LTTE used massive force against a dissident commander. The risk has increased that Sri Lanka might relapse into armed conflict. Indonesia should not perhaps be counted in this category, since its civil wars have cost a relatively small number of lives in recent years, and only in the periphery: Aceh, Ambon, West Papua. But these wars affect the country's political system. It is a young democracy, and will have its first popular presidential elections in July 2004, with a second round in September. The fact that there are still so many small scale civil wars in Asia threatens the regional trend towards peace and security. This is a problem that needs to be addressed on a regional level if Asia is to continue moving in the right direction.

5. Stable states with free, competitive elections on the national level. India has been a stable democracy since 1947, only interrupted by a period of emergency rule in the 1970s. Although there are ongoing insurgencies in some of the Indian states, it would be unreasonable to put India in the category of countries with civil wars. South

Korea and Taiwan made a transition to democracy in the second half of the 1980s, and Thailand returned to democracy in 1992. These three democracies seem relatively stable. Although the latest elections in Taiwan were affected by a shooting incident, and the elections in South Korea were preceded by a decision to impeach the President, there was little danger that any of these two countries would return to authoritarian rule.

East and South Asia remain divided between democratic, semi-democratic and various kinds of authoritarian regimes. Thus the statistically established rule that democratic states rarely if ever go to war against each other cannot be expected to help Asians preserve peace. It is by no means certain that the region is moving in the direction of democracy. The ultimate test will be China. If China democratises, then this will be a significant step on the way to a global triumph for the democratic principle. Then the basic freedoms, human rights, and secret, competitive elections could become universally respected norms. In the shorter run, a test case may be Burma/Myanmar, where the popularly elected leader Daw Aung San Suu Kyi has been barred from power, and frequently imprisoned or held in house arrest for the last twelve years. In May 2003, she and her followers were violently attacked by government forces. International pressure is now exerted on the junta in Rangoon, through a process managed by the government of Thailand, for the liberation of Aung San Suu Kyi, the end to all repression of her National League for Democracy (NLD), and the holding of a representative national convention. The convention that met in May 2004, however, was clearly neither free nor representative. The USA remains an outsider to the process of trying to influence the government in Rangoon. It instead seeks to hurt the Burmese regime with sanctions, but several European countries co-operate with the Asian countries in trying to initiate a process of change.

Conclusion

Despite several ongoing internal armed conflicts, East and South Asia remain characterised by a trend towards a more secure state system, with relative peace both among and within states (Alagappa 2003). This is notably the case in East Asia. East Asians have generally lived in peace since the late 1970s, and the armed conflicts in the South Asian countries Sri Lanka, Nepal, and some of the Indian provinces, have not threatened the general stability of India.

It seems likely that the great regional powers China, Japan, India and Russia will maintain their current overriding priority, which is to avoid conflict in order to achieve economic growth within an open international trade and investment regime. In view of the enormous difficulties the United States now faces in Iraq and 'the Greater Middle East', it is also unlikely that Washington will initiate policies that could destabilize East or South Asia. In this respect there will be no big difference between the policies of a Bush and a Kerry administration.

If this first optimistic conclusion should be proven wrong, and the trend towards peace and security is interrupted, then the problem leading to new crisis would probably be one of the following:

- The situation in North Korea
- The Taiwanese quest for independence
- The dispute over Kashmir
- The internal situation in Pakistan

History is full of surprises. It is certainly possible to imagine some very different scenarios, and real history is more imaginative than any social scientist indulging in predicting the future. External intervention in internal conflicts in Indonesia, the Philippines, Burma or Sri Lanka, perhaps provoked by local terrorism that the government is unable to handle, could have wider ramifications. Much would also look different if there should be a major oil crisis or if, for some other reason, the global economy should run into a serious recession. This could lead to a return to protectionist policies, and the Chinese growth engine might break down. This could cause internal turmoil in China, conflict between China and Japan, or between China and the United States. War in the Middle East might also lead to trouble in East and South Asia, because of dependence on the import of oil. A drastic increase in the oil price would at any rate have devastating consequences for many Asian economies, including China's, and possibly lead to a scramble for energy.

It should be added that this paper has used an old fashioned concept of security. Human security concerns have not been discussed. The danger of renewed famine in North Korea, the effect of climate change on Bangladesh and the Maldives, the depletion of fish stocks in the South China Sea, the erosion of land and

desertification of vast parts of northern China, pollution and rapidly increasing CO² emissions in the Chinese growth zones, the destruction of primary forests in Indonesia and other countries are only some of the dangers that need to be assessed within an analysis of security in the broader sense.

The best way to secure lasting and genuine peace might be for the regional countries to focus more on these vital issues, and co-operate in resolving them. This could make it easier to also resolve the traditional security disputes. In view of the threats to human security, traditional territorial disputes might appear less vital, and therefore lend themselves more easily to resolution. One example is Taiwan. Despite its diplomatic isolation, this island state has managed to become rich and prosperous, introduce a vibrant democracy, export and invest throughout the world, including the Chinese mainland. Why should it be vital to gain international recognition for its independent status when the Taiwanese have so much to lose? On the other hand, an enlightened leadership in Beijing should understand how much benefit it could derive from liquidating the poisonous Taiwan dispute by granting the inhabitants of the island a right to determine their own future. Instead of threatening with missiles, China could focus on further expansion of economic and cultural ties. The argument that Taiwanese independence would embolden the groups seeking independence in Tibet and Xinjiang is not valid, not if a strong Chinese government *decides* to let Taiwan go its own way. China controls Tibet and Xinjiang. It does not control Taiwan.

China and India hold the keys to peace in Asia. By improving relations with each other, being generous to the Taiwanese and the Kashmiris, and facilitating or encouraging peace processes in Korea, Sri Lanka and Nepal, they may keep the region on the right track. This could also help avert danger in Pakistan.

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