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## **Flexibility or Irrelevance: Ways Forward for the ARF\***

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*Measured by its own standards of progress on security dialogues, the ARF has made impressive strides since its formation in 1994. Security challenges in the coming decade are, however, likely to cripple the ARF if it adheres to its current modus operandi of seeking general unanimity and consensus. Since approaches based on the European paradigm are both unacceptable and in most cases inappropriate to the Asia-Pacific environment, and the ARF approach may not lead to meaningful adjustment of member states' self-interests and fears, different steps must be taken. Goals must be made more concrete and multilateralism must assume a practicable scope — in short, a more pragmatic and outcomes-based vision is needed. Conventional arms acquisitions and the competing claims on the Spratly Islands are two good issues on which to start.*

### **The Evolving Security Environment**

Whether “ripe for rivalry” or simply witnessing the ripening of divergent national viewpoints, the Asia-Pacific will undergo potentially dramatic and unpredictable developments in the coming decades. The litany of potential problems and flashpoints is by now familiar: uneven economic development across and within states; regime instability and pressures for political reform; full-fledged military confrontation on the Korean peninsula, punctuated by military probings and, more recently, missile or attempted satellite launches; clashing interests and occasional military

fire over claims in the Spratlys; major arms purchases throughout Southeast Asia in a context of suspicion and unclear military intent; historical enmities unresolved, particularly in Northeast Asia; and the growing military might of a potential hegemon with unclear bounds on its strategic interests.<sup>1</sup>

After several years of gestation, the ASEAN Regional Forum (ARF) was formally launched in 1994 to deal explicitly with issues affecting regional security. The ARF was born in part as a rejection of a European model of security that is based on a combination of great-power politics and legalistic institutionalism. Instead, the ARF embraced the “ASEAN Way” of dealing with conflicts of interest — discussion and dialogue to seek out the matters acceptable to all involved parties. An extraordinary number of dialogues have commenced. Working groups have been convened on confidence-building measures (CBMs), preventive diplomacy, and conflict resolution, which also comprise the three stages through which the regional security dialogue is supposed to progress. Major statements of policy have been accepted on the issue of weapons of mass destruction (WMD). Membership has expanded to include virtually all regional actors as well as the world’s major powers and political groupings, reaching to Europe.

Yet there is an incongruity between the assumptions and processes of the ARF, on the one hand, and the nature of some of the security challenges facing the Asia-Pacific region, on the other. On the most fundamental level, the wide variety of threats to stability — in their origins, intensity, and likely maturation — decreases the likelihood that an essentially unitary approach to security can successfully manage all of them. Looking more closely at the kinds of hard decisions and choices that are necessary to solve some of these conflicts, one can conclude that identity-building by itself will not address such realities.

Failure to resolve emerging conflicts incurs two very serious risks for the ARF. First, it will appear irrelevant should it become bogged down in preliminary CBM discussions without ever tackling serious conflicts of interest or threatening behaviour. The progress that *is* made in identity-building will then mistakenly appear to be erroneous or even harmful. Secondly, the ARF could find itself overtaken by longer-term and irreversible trends, such as Chinese power projection or simply China’s growing “presence”, which the ARF chooses to sweep under the rug on a meeting-by-meeting and dialogue-by-dialogue basis.

In order to thrive, then, the “ASEAN Way” of unanimity, informality, and low-profile dialogue, and the “ARF Path” of moving sequentially from trust to conflict prevention and then conflict resolution must be transformed into a strategy for dealing with concrete problems

in the near term. This will require breaking with the ARF's traditions of unanimity and consensus-building. It requires sub-regional and bilateral arrangements. It will necessitate the refocusing of energy away from CBMs and promises of future progress on preventive diplomacy and conflict resolution and towards specific problems requiring hard political choices and deadlines. In sum, the ARF would continue to perform long-term identity-, network-, and consensus-building, but it would actively sanction smaller groupings of states that would take the initiative on more pressing security challenges.

In practical terms, this means moving to a "Stage 1½" set of pragmatic initiatives in which concrete progress can be made on serious issues. These will require a partial backing away from inclusive multilateralism, sometimes "leap-frogging" the slow CBM process, and the acceptance of risk that comes from granting confidence and trust rather than merely seeking its acquisition. The pay-offs, however, will be great. Security will be enhanced in a palpable way. The ARF, as NATO has done, will evolve and find renewed vigour.

In the next two sections of this article, the road to the ARF in its current form is discussed briefly. The challenges facing the ARF are then described, followed by a listing of the main conceptual barriers to its transformation into a more appropriate body. The last section briefly discusses two major security challenges — conventional arms proliferation, and the Spratly Islands — and ways that ARF sub-groupings might respond in an adaptive and productive way.

### **The European Model Rejected**

How do actors with competing views work together to build an institution that will bring their viewpoints into alignment, or at least allow for co-ordination? Europe's experiences during the Cold War, more specifically the latter part, provide one model. The East-West struggle was tamed through the recognition of borders, arrangements on the avoidance of threatening behaviour, and agreements to cooperate in cultural, human rights, and the economic arenas. By the end of the Cold War, such CBMs provided the groundwork for a series of precise and verifiable arms control agreements that limited the most destabilizing weapons.<sup>2</sup> This security regime is usually described as formal and legalistic in that the numbers and types of weapons were detailed, borders were clearly marked and frequently utilized natural boundaries, and formal treaties were used when possible. Yet the regime also depended to a considerable extent on the engagement of the two superpowers, which not only exercised essential control over their

allies but which could come to a basic agreement about what constituted destabilizing forces and doctrines. Furthermore, most states involved had influential communities of experts as well as popular activists who were interested in arms control and stability.

While this picture is somewhat simplified, it highlights differences between Cold War Europe and post-Cold War Asia. First, the agreements reached in the 1970s in Europe came after two decades of *de facto* territorial and bloc stability. At the end of a devastating war, armies occupied positions along new political borders. Smaller alliance partners who sought to upset this arrangement were convinced otherwise. The types of weapons and military doctrines were limited, because of geography and the dominant role of the superpowers. Shared views on the utility of legalistic agreements allowed for their creation when it suited the interest of both sides, and made domestic ratification easier. All states in the region experienced essential domestic stability or had it enforced on the rare occasion this appeared necessary to a more powerful actor. Finally, military establishments were either firmly under civilian control or else did not have significant roles in making security policies.

Given its apparent successes in contributing to and managing the end of the Cold War, it is not surprising that the European model was suggested as a template for dealing with the myriad security concerns of Asia. Canada and Australia were particularly interested in its application to the region. The model was explicitly rejected, however, for reasons that are readily understood. The Asia-Pacific is not divided into two armed camps, each unified by opposing ideologies and led by a superpower. Stability has been elusive, with more of it, arguably, in Northeast than in Southeast Asia. Territorial boundaries have always been in question, a fact complicated by overlapping maritime claims and the absence of means for strict enforcement. Weapons systems have proliferated, with little concern for long-term utility, cost-effectiveness, or interoperability. Defence doctrines have varied according to the balance of internal and external challenges. Western-style legalism has not been accepted for purposes of conflict resolution. Threats to security are great in number, variety and complexity. A range of political systems and socio-economic structures thrive. Regime stability is not guaranteed and is subject to several forms of stress. Most states in the region are in earlier stages of development than are European states, and cultural barriers to unity are more pronounced. Levels of intra-regional trade and economic interdependence are quite low and heavily oriented towards the industrialized states.<sup>3</sup>

### **The ASEAN Model Projected**

The ASEAN states commenced discussion of security issues with their Dialogue Partners at the 1991 ASEAN Post-Ministerial Conference. The end of the Cold War brought dramatic changes, including the withdrawal and then dissolution of the Soviet Union, a nuclear crisis on the Korean peninsula, continued economic growth and assertiveness by China, the potential for a more activist Japan following the Gulf War, and the danger of an isolationist United States. When the Clinton Administration revealed a renewed American interest in both multilateral diplomacy and democratization, ASEAN leaders took the lead to formulate the founding principles of what became, at the 1994 summit, the ASEAN Regional Forum. The ARF's origins, then, reflected not only an uncertain environment but also the multiplicity of security challenges. ASEAN's unwillingness to brook challenges to its tradition of non-interference was clearly evident.<sup>4</sup>

The ARF process and agenda are both testimonies to these multifaceted interests and threats. The process is essentially the "ASEAN Way" of conducting international relations in which discussions are informal and private when necessary, and agreements are more or less unanimously arrived at. Likewise, the suggestion of agenda items is expected to hold no surprises. The structure of its "Track I" agenda has consisted of three sequential stages, beginning with CBMs, moving on to preventive diplomacy, and culminating in conflict resolution agreements. The foundation of the process is therefore Stage 1, confidence-building, and at the heart of Stage 1 is transparency in military forces, defence posture, and overall intentions.

The ARF also has a vibrant "Track II" component. These activities are exemplified by the ASEAN Institutes of Strategic and International Studies (ASEAN-ISIS) and the Council for Security Co-operation in the Asia-Pacific (CSCAP). Their work, which includes the writing of papers on transparency and peacekeeping issues, is discussed at ARF meetings. In reality, much of the discussions come under "Track 1½", with many scholars and institutes maintaining close relations with their host governments.

The ARF experiment is essentially one of identity-building. By concentrating on process, dialogue should lead to socialization which, in turn, will lead to the dissipation of conflicts of interests.<sup>5</sup> The accoutrements of identity appear to have proliferated. The Pacific Basin Economic Council, the Pacific Economic Co-operation Council, the Pacific Forum for Trade and Development, and the Asia-Pacific Economic Co-operation "have provided the links between nations in the region, which have allowed security dialogue to follow, transcending

previous ideological and national divides.”<sup>6</sup> Official Working Groups at each stage meet regularly and have garnered various levels of support from different groupings of governments on a wide range of confidence-building measures. A number of states have called for more formal and frequent exchanges among senior defence leaders, while co-operation on disaster relief has made substantial progress. Non-official channels for security dialogue have also proliferated.<sup>7</sup>

### **Challenges to the ARF**

Many analysts see such steps as further evidence of the emergence of a security community.<sup>8</sup> Yet the range of simmering disputes, summarized in Table 1, belies the distance that the ARF still has to travel.

Even more significant are the dynamics that are not obvious from such a table and which, in the longer term, threaten stability. In the north, these revolve around three issues — China, the future of Japanese security policy, and the Korean stand-off. China is using its steady economic growth to modernize its armed forces and to develop a serious power-projection capability. The latter comes in the form of evolving plans and purchases for a blue-water fleet and long-range strike aircraft. At the same time, China has reiterated and expanded territorial claims ranging from Taiwan in the north to the Spratly islands in the South China Sea, while showing a willingness to rattle sabres and fire shots.

While it is clear that China’s arms buildup will, if it continues unabated, alter the underlying dynamics of the region, it is not clear what the ARF as a whole, or individual states, can or will attempt to do about it. Engagement in the broadest sense has brought more dialogue, more frequent military-to-military contacts and some first-ever port visits by naval vessels. The policy is not, however, based upon behavioural expectations or standards with respect to China’s foreign policy. Two cases in point are the origins of the Taiwan crisis of 1996 and the ongoing disputes over the Spratlys. In March 1996, China attempted to influence elections in Taiwan through massive and intensive military exercises, including missile-launching exercises using targets 30 miles from Taiwan’s port cities of Jilong and Gaoziqong. When these were announced, the U.S. Congress passed a non-binding resolution calling for the deployment of American forces to battle should China attack Taiwan. The crisis escalated as China conducted a series of live-ammunition naval and air force operations and the United States responded by sending two aircraft carriers to the area.<sup>9</sup>

How did such a crisis arise so quickly and unexpectedly? The notion that regularized contact and transparency of military capabilities

TABLE 1

| <i>Country/Area</i> | <i>International Dispute(s)</i>  |
|---------------------|--|
| Bangladesh          | <ul style="list-style-type: none"> <li>• boundary with India</li> </ul>  |
| Brunei              | <ul style="list-style-type: none"> <li>• may wish to purchase the Malaysian salient that divides the country</li> <li>• Spratly Islands claims</li> <li>• Louisa Reef "exclusive fishing zone" proclaimed</li> </ul>   |
| Cambodia            | <ul style="list-style-type: none"> <li>• offshore islands; boundary with Vietnam</li> <li>• maritime boundary with Vietnam</li> <li>• border with Thailand</li> <li>• maritime boundary with Thailand</li> </ul>   |
| China               | <ul style="list-style-type: none"> <li>• boundary with India</li> <li>• two sections of the boundary with Russia</li> <li>• boundary with Tajikistan</li> <li>• boundary with North Korea</li> <li>• Spratly Island claims</li> <li>• maritime boundary with Vietnam</li> <li>• Paracel Islands occupied by China, claimed by Vietnam and Taiwan</li> <li>• claims Japanese-administered Senkaku-shoto (Senkaku Islands/Diaoyu Tai)</li> <li>• land border with Vietnam</li> </ul> |
| India               | <ul style="list-style-type: none"> <li>• boundary with China</li> <li>• status of Kashmir, against Pakistan</li> <li>• Indus River water resources, with Pakistan</li> <li>• boundary with Bangladesh</li> </ul>   |
| Indonesia           | <ul style="list-style-type: none"> <li>• sovereignty over East Timor Province</li> <li>• demarcation line with Vietnam on continental shelf in South China Sea, near Natuna Island</li> <li>• two islands in dispute with Malaysia</li> </ul>  |
| Japan               | <ul style="list-style-type: none"> <li>• Kurile Islands, against Russia</li> <li>• Liancourt Rocks (Takeshima/Tokdo) disputed with South Korea;</li> <li>• Senkaku-shoto (Senkaku Islands) claimed by China and Taiwan</li> </ul>  |
| North Korea         | <ul style="list-style-type: none"> <li>• 33-km section of boundary with China</li> <li>• Demarcation Line with South Korea</li> </ul>  |
| South Korea         | <ul style="list-style-type: none"> <li>• Demarcation Line with North Korea</li> <li>• Liancourt Rocks (Takeshima/Tokdo) claimed by Japan</li> </ul>  |

TABLE 1 – *continued*

| <i>Country/Area</i> | <i>International Dispute(s)</i>   |
|---------------------|---|
| Laos                | <ul style="list-style-type: none"> <li>• parts of the border with Thailand</li> </ul>   |
| Malaysia            | <ul style="list-style-type: none"> <li>• Spratly Islands against China, Philippines, Taiwan, Vietnam, Brunei</li> <li>• Sabah State claimed by the Philippines</li> <li>• Malaysian salient dividing Brunei</li> <li>• two islands in dispute with Singapore</li> <li>• islands in Celebes Sea, in dispute with Indonesia</li> <li>• offshore demarcation line with Vietnam</li> </ul>                              |
| Pakistan            | <ul style="list-style-type: none"> <li>• status of Kashmir, with India</li> <li>• Indus River water rights</li> </ul>   |
| Philippines         | <ul style="list-style-type: none"> <li>• Spratly Islands</li> <li>• claims Malaysian state of Sabah</li> </ul>  |
| Singapore           | <ul style="list-style-type: none"> <li>• two islands in dispute with Malaysia</li> </ul>  |
| Spratly Islands     | <ul style="list-style-type: none"> <li>• all of the Spratly Islands are claimed by China, Taiwan, and Vietnam; parts of them are claimed by Malaysia and the Philippines;</li> <li>• in 1984, Brunei established an exclusive fishing zone, which encompasses Louisa Reef in the southern Spratly Islands, but has not publicly claimed the island</li> </ul>   |
| Taiwan              | <ul style="list-style-type: none"> <li>• claims by China, Malaysia, Philippines, Vietnam, Brunei</li> <li>• Paracel Islands occupied by China, but claimed by Vietnam and Taiwan</li> <li>• Japanese-administered Senkaku-shoto (Senkaku Islands/Diaoyu Tai)</li> </ul>   |
| Thailand            | <ul style="list-style-type: none"> <li>• parts of the border with Laos, Cambodia</li> <li>• maritime boundary with Cambodia</li> </ul>  |
| Vietnam             | <ul style="list-style-type: none"> <li>• maritime boundary with Cambodia</li> <li>• Spratly Islands</li> <li>• maritime boundaries with China, Malaysia</li> <li>• Paracel Islands occupied by China</li> <li>• Offshore islands and sections of boundary with Cambodia</li> <li>• sections of land border with China</li> <li>• demarcation line with Indonesia on continental shelf near Natuna Island</li> </ul> |



and intentions will lead to peaceful relations would have predicated the avoidance of such a crisis. After all, in addition to China being welcomed into the ARF, relations between China and the United States have undergone a process of normalization since 1971, hundreds of military exchanges and visits occur annually, and U.S., Chinese, and Taiwanese policies have been stated and restated for more than two decades. The crisis occurred because of Chinese increased capabilities and the absence of clear statements by the United States on what behaviour is acceptable or unacceptable, to use non-diplomatic language.

To the south, the dominant Chinese perspective is that the South China Sea is so named for obvious reasons, it having been an "internal lake", the southern-most point of Chinese territory, for more than two thousand years. China claims that it has "indisputable" sovereignty over the whole of the South China Sea and asserts a legal right to protect its sovereignty claims with force.<sup>10</sup> China has always considered itself a Southeast as well as Northeast Asian power, and regards its southernmost point of sovereignty to be James Shoal, one hundred and sixty kilometres north of Sarawak, Malaysia. In this view, Vietnam has usurped twenty-seven, the Philippines eight, Malaysia eight and Brunei one of these Chinese islands/reefs. As its military capabilities grew, China clashed with Vietnam over Johnson Reef in March 1988, and occupied Mischief Reef in February 1995. The construction of four concrete structures on Mischief Reef allows China's People's Liberation Army (PLA) to monitor closely the passage of warships along the Palawan international waterway.<sup>11</sup>

It is pointless to argue that China's navy would be vulnerable to the air and naval forces of several Southeast Asian states should it attempt serious military action around the small Spratly islets,<sup>12</sup> or that defending the Spratly islets "would be a drain, not an addition, to China's overall regional position" because they cannot serve as logistics centres.<sup>13</sup> The political use of conventional weapons does not require increased dominance, particularly when it is backed by the overall weight of China. More relevant would be an answer to the question, who would oppose China, and how? Beijing was taken aback by international reaction to its behaviour in both crises, especially following the disclosure of its presence on Mischief Reef. This probably indicates a lack of understanding by Beijing of unclear preferences on the part of other states with interests in the region.

Even without an aggressive China, other traditional balance-of-power conflicts are possible. Should Japan become, as many feel is inevitable, a "normal" state with military power and foreign policy commensurate with its economic might and national cohesion, this would rekindle animosities residual from its imperial era. Victims of

past fascist aggression in Southeast Asia view Japan's future with as much caution as they do China's growth. Relations have been particularly strained between South Korea and Japan, although in recent years Japan has acknowledged responsibility in many aspects of the relationship (the "comfort women" issue excepted). Hence, Japan is caught in a triple bind: the natural course of time, with its effects on remembrance as well as economic growth, a leadership vacuum particularly in ASEAN and Southeast Asia, and U.S. encouragement are all causing it to assume a role which heightens suspicion among its neighbours.<sup>14</sup>

The Korean peninsula continues to host two armed camps with incompatible territorial and legitimacy claims. Miscalculation by the North remains a real possibility. The fact that the North could develop and deploy nuclear weapons has led to a series of near crises in the past several years. A humanitarian crisis of major proportions already exists in the North. Internal collapse would present South Korea, the United States and the United Nations with a number of grave decisions the outcomes of which are difficult to predict. Even a relatively peaceful collapse poses major problems, since under existing arrangements any major humanitarian effort would be led by a U.S. four-star general, which is probably unacceptable to China.<sup>15</sup>

In Southeast Asia, Malaysia has conflicting claims with Brunei and the Philippines, compounded by the Philippines' claim to Sabah and Malaysia's sympathies or support for Moro Muslim rebels.<sup>16</sup> A host of other issues abound. Since 1995 Indonesia has carried out major air and naval exercises around the Natuna Islands as a deterrent to China. Should China press its claim to the Spratlys, it would contend that its exclusive economic zone (EEZ) covers the natural gas fields just north of the Natunas. Indonesia and Australia also signed a security treaty that indirectly links Jakarta to the Five Power Defence Arrangements and to the U.S.-Australia relationship. Both of these developments came in the wake of China's seizing of Mischief Reef in 1995.<sup>17</sup>

Relations between Indonesia and Malaysia have been strained since the regional economic crisis. Malaysia is forcibly repatriating thousands of illegal Indonesians who had been working in Malaysia during the economic boom. Severe measures have resulted in several deaths at detention camps, prompting Indonesia and international bodies to claim human rights violations.<sup>18</sup> On mainland Southeast Asia, Thailand has a number of problems, including refugee flows from Myanmar and Cambodia into Thailand, Muslim separatists, and Myanmar and Cambodian forces raiding refugee camps.

Perhaps the most serious security concern for the United States is one that has received relatively little notice among the plethora of

interstate and transnational irritations and conflicts — the legitimacy of various Asian governments.<sup>19</sup> The recent change of government in Indonesia did not fare as well as those in South Korea, Thailand, and the Philippines. President Habibie is still attempting to muster the political coalition to enact necessary reforms in either the military or the economy. Similarly, Malaysia is witnessing its first serious challenge to the rule of Prime Minister Mahathir Mohamad.

### **The ASEAN Model Stalling: Barriers to Progress**

This brief summary is not intended to be apocalyptic but rather to point out that there are real security concerns, some of them near-term but all of them complex and potentially serious. Unfortunately, the recent Summits and Working Group meetings demonstrate that the ARF remains mired in Stage 1 issues, caught in a series of logical fallacies and questionable assumptions that have by now become embedded in the procedural identity of the Forum. These are described below:

**Fallacy No. 1:** *Inclusivity and unanimity are desirable and feasible on the most important issues of Asian security.*

Where desirability is concerned, two factors are relevant. First, there is a trade-off between inclusivity and the “teeth” that an agreement will have. The close examination of “large-N” treaties and other regimes shows that those with the highest levels of compliance and lowest levels of enforcement are also the least helpful in terms of making progress on the issue area that the regime is dealing with.<sup>20</sup> In other words, agreements including many states generally require only a small departure from the behaviour that most states would follow in any case. More ambitious agreements mean a greater incentive to defect, which, if it is to be prevented, requires enforcement or punishment.

Obviously, the ARF hamstringing itself with its requirement of region-wide inclusion. Including the great powers in dialogue on conventional arms limitations is like including OPEC (Organization of Petroleum Exporting Countries) in a global climate convention (which has been done) — states will join but the agreement is not likely to make much progress. Should Great Britain’s opposition to a single monetary unit have vetoed that decision on the part of the European Union? Or can great strides be taken now and convergence occur at a later date? An imagined Singapore-Malaysia-Indonesia understanding on defence acquisitions may impose restrictions that Vietnam or Thailand will find absurd or irrelevant; yet they may be useful. A smaller number of states can attain a higher degree of agreement or conformity.

A second relevant factor is the absence of enforcement in the ARF’s vision for the future development of its security agenda. Defection

from a regime by a key member can seriously weaken the normative strength of that regime. It is possible, for example, that in the eyes of other leaderships, India and Pakistan have dual-handedly rewritten the norms surrounding the Non-Proliferation Treaty (NPT) and the Comprehensive Test Ban Treaty (CTBT), by essentially dictating the terms of their adherence and accession. It may now look to other states as though no serious costs will be inflicted should one decide to join the nuclear club before foregoing the proliferation or testing of nuclear weapons. While the present nebulous nature of the ARF's agreements may make defection unlikely, more serious agreements will require at least the consideration of enforcement mechanisms. Discussions on enforcement might begin in the context of existing economic arrangements.

As for feasibility, public statements and private interviews conducted by the author in 1998 suggest that two specious correlations have been drawn by some members of the community. One holds that regional (especially ASEAN) economic progress demonstrates the validity of the "ARF Path" for security issues. The second holds that progress in nuclear and WMD agreements foreshadows progress on more localized, complex disagreements.

For a variety of reasons, however, the gains from an agreement on economic, nuclear and WMD issues are more readily apparent to a majority of regional actors than are the gains from the settlement of territorial and resource issues. Similarly, the costs of economic non-cooperation or nuclear/WMD acquisition are clear. Most conflicts in the security arena require more work and harder choices in order to arrive at a positive-sum outcome. In addition, the security issues on which the ARF has achieved some consensus are the least difficult, and thus far it has not suggested a procedure or timetable for dealing with more difficult issues.

Should the ARF move into more treacherous waters it might learn from European mis-steps since the Cold War. Europe concentrated on economic integration to the exclusion of serious security matters, including the breakup of the Balkans. It thereby lost a chance not only of bringing peace to that sub-region, through more timely preventive diplomacy or military deployments, but it also postponed difficult decisions that could have led to greater security policy co-ordination earlier and with bigger payoffs.

**Fallacy No. 2:** *Identity-building and problem-solving have a sequential relationship, the latter being impossible or undesirable without the former.* This is embodied in the founding principle that CBMs should comprise the first stage of efforts, with a gradual move towards preventive diplomacy and conflict resolution. This turns on its

head the logic of most perspectives on the history and potential future origins of conflict in Asia, which have arisen at least as much out of historical memory, threatening activities, or competition for resources or revenue as from misunderstanding and a lack of trust. Similarly, conflicts are normally resolved not merely through confidence-building but through an agreement to compromise on interests.

Although the circumstances are different, the path to stability and confidence in Europe has required a series of crises, and the message that emanated from them is that real compromise is required if war is to be averted. Compromises about territorial and sphere-of-interest claims had solidified for over two decades before CBMs were able to capitalize on these tough political choices. They then contributed to the building of a European identity that has since revealed itself in the adaptation and creativity (whether or not one agrees with their wisdom) demonstrated by the expansion of NATO and the Partnership for Peace.

**Fallacy No. 3:** *The most difficult issues should be deferred until easier ones are settled.* This is derived from the previous notion, for it holds that increased confidence will lead to an easier time for dealing with fundamental tensions or conflicts of interest. The Middle East peace process should be instructive here, demonstrating as it does the dangers of leaving intractable problems, such as the future of Jerusalem, for the final stages of conflict resolution. When this path is taken, initiative is left to a variety of domestic and international factors. Militant or strongly motivated interest groups can mobilize by taking advantage of time and inevitable mistakes on its own or by opposing leaderships. Economic fortunes can wane, contributing to a general feeling of tension or unease. Idiosyncratic variables, such as leadership changes or dramatic, unanticipated changes in security relationships, even those occurring on the other side of the globe, can all intercede to preclude resolution.

In some cases, difficult issues must be postponed. The conditions under which this is appropriate, however, is a matter of thoughtful investigation rather than one of ideology or faith. The logic of moving from agreements on port visits to agreements on the kinds of ships that the visiting state should buy and sail to port, for example, is not immediately clear. This would seem an appropriate area of research for "Track II" entities. Finally, in contrast to the Middle East example cited above, one should note that in Europe, before Helsinki and CBMs were possible, the question of Berlin was successfully settled. This required fifteen years, the crises of 1948–49 and 1958–61, Willy Brandt's leadership and *Ostpolitik*, strategic nuclear parity, and a diversion of the superpowers' interests to the Third World.

**Fallacy No. 4:** *The most difficult issues should be left to “Track II” relations.* “Track II” is a vital aspect of the ARF process; however, it should not become an excuse for governments themselves to avoid hard political choices. Whereas U.S. and West European academics had long-standing connections with East European and Soviet academics and dissidents, “Track II” in Asia consists of a complicated web of non-official and semi-official individuals and organizations. Again, in contrast to the European experience, in Asia new and useful ideas that the second track espouses are unlikely to be adopted by agitating the mass public. The equivalent of a “nuclear freeze” movement is not likely to develop in most member states. One should examine more rigorously then, whether and under what conditions “Track II” activities will influence governments, and when the reverse will hold true.

There are several ways in which “Track II” diplomacy could lead to policy co-ordination among states. One theory holds that “epistemic communities” of individuals with similar values, beliefs about how the world works, and a common policy enterprise shape government policy by virtue of their recognized expertise. When such communities are international, states are able to reach agreement.<sup>21</sup> Another perspective notes the importance that the ideas generated by such communities become entrenched in government bureaucracies or other institutions. Domestic structure therefore mediates the impact of new thinking.<sup>22</sup> Others have demonstrated that acceptance of new ideas by an entrepreneurial leader may force the new orthodoxy on his government, as Mikhail Gorbachev may have done with the general concept of a “house of Europe” as well as with more specific notions on conventional arms and strategic missile defence.<sup>23</sup>

“Track II” work in the ARF is likely to have limited impact for several reasons. Domestic structures of its members vary across the widest range imaginable, in many instances blocking meaningful impact on government policy. The same can be said for both leaders’ receptivity to new ideas and for the political leeway that they have for ushering in substantive policy changes. One is hardpressed to find how “Track II” analysis could help trace common ground among Japanese, Chinese and Malaysian approaches to peacekeeping, for example. When the ARF requirement for consensus is added to the two mediating factors of domestic structure and leadership, the problems for the “Track II” community are clear. Were the consensus norm to be dropped, however, “Track II” influence in the short term could increase greatly.

**Fallacy No. 5:** *Transparency is a valid foundation for confidence-building.* For the ARF mindset, military transparency is the *sine qua non* of confidence-building. Excellent work has been done by “Track

II" working groups, which have not only conceptualized the problem in a sophisticated way but have offered concrete suggestions for adoption.<sup>24</sup> But transparency is confronted by several forces which together call into question the wisdom of retaining it as the cornerstone of confidence-building. One problem is that the reasons for weapons purchases vary from country to country and many of the motivations are impervious to either transparency or the benefits of confidence-building. Governments that use weapons acquisitions as a tool of civil-military relations or for government prestige will have a different approach to transparency than will those that purchase weapons for external security concerns.<sup>25</sup> A second problem is the assumption that transparency always contributes to the public good of increased security. However, many states in the region are unwilling to display their weaknesses in the interest of making their neighbour more confident. Incentives must be offered to less secure states and regimes.

Together, these dynamics mean that progress on military transparency will come slowly and will probably not achieve the kind of detail that is now pushed by the United States, Australia and other secure states. These participants wish to see the United Nations Register of Conventional Arms expanded in scope and made more relevant to Asia. While some progress has been made — with the considerable help of "Track II" expertise — on the issuance of defence White Papers, in the near term they will likely remain of limited help, as is Vietnam's recent White Paper. This Paper, by one of the region's most important armed forces, says virtually nothing about air or naval power, mobile forces, or organization.<sup>26</sup>

When does transparency lead to increased confidence? When does it cause greater insecurity? Are all significant intra-ARF military relationships served by greater transparency, in the same categories of weapons? Does the U.N. Register or an envisioned Asian counterpart address these complexities? The utility of different transparency efforts ought to be conceptualized in conjunction with specific relations between states, including their unique problems as well as their capacities for overcoming them. If the U.N. Register is conceived at one end of a spectrum with a CFE-type treaty, with its thousands of inspections, at the other, the variety of possible transparency arrangements becomes clear.

**Fallacy No. 6:** *The "ASEAN Way" must undergird the "ARF Path" because the European model is irrelevant.* The ARF has overemphasized structure and principle to the detriment of problem-solving. The diffusion of leadership in the ARF has precluded creative approaches to specific problems. Instead, elements of both models of security co-operation should be incorporated to address sub-regional challenges

and the requirements of the individual countries. This third way — the flexible, pragmatic approach that emphasizes near-term solutions to hard problems — must be developed by individual ARF governments who are willing to step out of their familiar role.

The diversity of security perspectives throughout the Asia-Pacific region requires such an adjustment in approach. As the recent North Korean missile/satellite launch showed, every state still has different threat perceptions. The Philippines had an ambiguous reaction; Thailand claimed that it threatened regional stability but cautioned against over-reaction; Vietnam proclaimed it in contravention of the need for disarmament; while Japan was extremely alarmed. Singapore claimed that the regional economic crisis was more important, while Brunei, Indonesia, Laos, Malaysia, and Myanmar were restrained. The different threat perceptions require solutions tailored to each problem.

### **From Paralysis to Progress: Two Issues**

These fallacies are proving detrimental to the ARF's ability to manage emerging conflict dynamics and, by implication, to the ARF's very future. Together, they explain why the ARF has not produced a security regime — an institution that not only provides for discussion but also redefines members' definitions of their self-interest. The ARF should not remain a forum for public statements of agreement on the lowest commonality of interests of its members. The result is illustrated by the history of the ARF's response to the Cambodian situation since 1988. The major powers defined the parameters of action, the ASEAN members followed a self-interested path, and the ARF as a whole ended up with a double-standard on its principle of non-intervention.<sup>27</sup>

Two conflict areas demonstrate this predicament and the outlines of possible solutions.

*Conventional Arms:* The Asian financial (and broader economic) crisis has presented a major opportunity for rationalizing the process of conventional weapons acquisition. The ARF is missing this opportunity by focusing on region-wide transparency rather than on bilateral or multilateral agreements on suitable defence capabilities. The region-wide approach does not tackle the disparate motivations behind arms acquisitions and, more broadly, arms transfer relationships. There are at least three different motivations behind the emerging patterns of weapons acquisitions: national prestige; concern with long-term Chinese capabilities; professionalizing the military or at least keeping it out of politics.

CBMs and weapons purchases thrived side by side during the economic boom of the 1980s and much of the 1990s.<sup>28</sup> Unless the



unfortunate circumstances of the Asian financial crisis are capitalized on, there is little reason to believe that the arms purchases will not quickly return to pre-crisis levels as arms producers and sellers anticipate. More to the point, CBMs have not yet accomplished anything that would prevent or even deter such acquisitions.

The problem-solving approach would focus on two or three constellations of potentially threatening or destabilizing weapons systems deployed by or against a small number of states. The archipelagic states and the mainland states of Southeast Asia would be two possible groupings. Each would focus on the essential utility and disutility of their *major* weapons categories and come to some reasonable trade-offs among them. The ARF could play a vital role by injecting into the discussions new work on the social and economic costs of non-rational arms programmes. "Track II" groups could provide the necessary research.

The potential for *informal* or even *tacit* agreements on conventional arms acquisitions should be considered by "Track I", and examined in greater detail by "Track II" think-tanks. There are several advantages to tacit agreements. They avoid public pledges which can be uncomfortable, embarrassing, or show weakness. They sidestep the problem of domestic ratification, in whatever form that may take. They allow for the ability to re-negotiate quickly as circumstances change. Finally, informal agreements can be reached quickly in the first place — for example, on the verge of or at the end of a crisis.<sup>29</sup>

Since several of the important barriers to more collaborative arms acquisition policies are rooted in domestic politics, tacit agreements may ameliorate this problem. The question of intrusive verification is avoided as well, although third countries could probably help with this issue. In the end, they could generate a great deal of trust. As has been pointed out on numerous occasions, many of the most important agreements between the United States and the Soviet Union during the Cold War were informal or tacit.<sup>30</sup> They include the strategic arms treaties for extended periods of time, as well as the avoidance of troop-to-troop combat. Past and present informal agreements have probably contributed to peace on the Sino-Russian and Sino-Indian borders as well.

*Spratly Islands:* The principles of the United Nations Convention on Law of the Sea (UNCLOS) and the non-use of force are confronted by the continued growth in Chinese power-projection and the United States' hands-off policy, the latter a by-product of its strategy of engagement with China. Continuation of this policy will mean that Chinese sovereignty claims and military presence in the South China Sea will define the parameters of conflict resolution. Supporters and

members of the ARF and its relevant working groups see a major success in China's supposed accession to the peaceful resolution of competing claims. Meanwhile, China continues to occupy reefs and islets at both ends of the Spratly Island chain and recently fortified its presence on Mischief Reef with further construction. More importantly, by 2010 China will have full air-support capabilities and most likely a major blue-water presence. When the future of Taiwan is examined by the few major powers with direct, vital interests at stake, the complex interaction between "peaceful resolution", the strength of Chinese claims and convictions, and the reality of the dangers of military escalation are all recognized. The ARF approach to the Spratlys issue, on the other hand, submerges such complexity as well as emerging trends.<sup>31</sup>

A problem-solving approach would maintain adherence to ARF and UNCLOS principles but would focus energy on bilateral resolutions to individual island claims. Were the ARF to support this approach, it might also bring pressure to bear on claimants to accept third-party mediation and non-binding arbitration, either from major external powers (unlikely because of their relations with the resource-developing corporations), or from non-involved regional actors. The ARF can play a useful role in forcing claimants to confront the fact that they will have to compromise on their sovereignty claims. If some progress is made on a bilateral basis, this may serve as a signal to China that it must also negotiate and compromise.

At the moment, no state has the ability to enforce consistently its sovereignty or even EEZ claims. The development of the means to do so, however, is inevitable. Agreements such as those discussed in the previous section, on conventional arms, may make this trend easier to deal with. They will be meaningless unless the small but critical steps discussed here are first taken. Together, progress in the two areas will allow actors to face up to the more difficult long-term issue of how to deal with the future naval presence of China and other states. It is better to get there conceptually and at the negotiating table than militarily on the water.

## **Conclusion**

The ARF must be willing to move into uncharted territory in order to achieve limited but concrete results if it is to maintain relevance in the coming decade. Three general principles have been discussed as the possible basis for forward movement. First, sub-regional agreements and dialogue should be encouraged where results can be achieved. Secondly, tacit agreements and arrangements should be introduced in

principle as a means to achieve medium-term arms accords. Thirdly, a small number of difficult issues should be addressed immediately, placing results ahead of — though not in place of — consensus and pronouncements that allow states to avoid problematic trends and hard political choices. Sub-regional leaders must find pragmatic solutions before trends in conventional arms and power projection overtake events, and before sovereignty claims become so entrenched that compromise is impossible. If the “ARF Path” is unable to produce the desired results, the pragmatic, near-term approach should be attempted.

### NOTES

- \* The views expressed in this article are those of the author and do not necessarily reflect the official policy or position of the Department of the Army, Department of Defense, or the U.S. Government.
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- 7. Balmaks, op. cit., p. 10.
- 8. Sheldon Simon, “The Limits of Defense and Security Cooperation in Southeast Asia,” *Journal of Asian and African Studies* 33, no. 1 (February 1998): 62–75; Barry Buzan, “The Post-Cold War Asia-Pacific Order: Conflict or Cooperation?,” in *Pacific Cooperation: Building Economic and Security Regimes in the Asia-Pacific Region*, edited by Andrew Mack and John Ravenhill (Col.: Westview, 1995); Yong Deng, “The Asianization of East Asian Security and the United States’ Role,” *East Asia* 16 (Autumn, 1998): 87–110. See the classic, Karl Deutsch, *Community and the North Atlantic Area: International Organization in the Light of Historical Experience* (Princeton, 1957).

9. Ming Zhang, "The Emerging Asia-Pacific Triangle," *Australian Journal of International Affairs* 52, no. 1 (1998): 47–61.
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11. Shee Poon Kim, "The South China Sea in China's Strategic Thinking," *Contemporary Southeast Asia* 19, no. 4 (March 1998): 369–87.
12. Sheldon Simon, *The Economic Crisis and ASEAN States' Security* (Strategic Studies Institute, U.S. Army War College, October 1998), p. 10. Simon adds that "From bases in southern China, even the Su-27 would only be able to loiter about 30 minutes over the Spratly Islands" (p. 11).
13. Robert Ross, "Beijing as a Conservative Power," *Foreign Affairs* 76, no. 2 (March/April 1997): 36–37, cited in *ibid.*
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30. See, for example, Paul Keal, *Unspoken Rules and Superpower Dominance* (London: Macmillan, 1983).
31. See Simon, "The Limits of Defense and Security Cooperation," pp. 67–69; Ji Guoxing, "China Versus South China Sea Security," *Security Dialogue* 29 (1998): 101–12; and Shee Poon Kim, "The South China Sea in China's Strategic Thinking," *Contemporary Southeast Asia* 19, no. 4 (March 1998): 369–87).

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