



Strengthening Deterrence in Asia

CHAIRMEN'S STATEMENT FOR THE ATLANTIC COUNCIL TASK FORCE ON
EXTENDED DETERRENCE IN ASIA

BY **RICHARD L. ARMITAGE** AND **KURT M. CAMPBELL**, OCTOBER 2014

US contributions to advancing peace and prosperity in Northeast Asia stand among the most significant achievements in American foreign policy over the last sixty years. During this period, the region's gross domestic product has risen nearly twenty-fold, and today East Asia is the engine of the global economy.

The United States has been a chief beneficiary of this economic boom. Direct investments between Asia and the United States have roughly doubled over the past decade, and the region is now the leading destination for US exports. A number of East Asian countries also have transitioned to democracy, advancing liberal values and supporting the development of a rules-based regional order that can enhance opportunities for cooperation while managing areas of competition.

US leadership, undergirded by the US military, has played a central role in ensuring the stability necessary to produce these remarkable economic and political transformations. More specifically, American commitments to defend its allies in Northeast Asia, with nuclear weapons if necessary, have deterred major power war, prevented regional conflict, stemmed nuclear proliferation, and limited the use of coercion. At the outset of the post-World War II period, extended deterrence in Asia rested almost entirely on US military might, through a combination of forward-deployed troops on US major operating bases in Japan and South Korea, capable nuclear forces, joint exercises, and the military capabilities necessary to project power into and across East Asia.

Over time, however, US security commitments to the region have become increasingly interwoven within a more comprehensive and multifaceted fabric, with US conventional and nuclear forces still at their foundation, but supplemented by allied capabilities, commercial interdependence, and evolving regional institutions.

Atlantic Council Task Force on the Future of Extended Deterrence in Asia

The Brent Scowcroft Center on International Security at the Atlantic Council convened an independent, bipartisan task force to conduct analysis and to make actionable recommendations regarding the challenges and opportunities to strengthen US extended deterrence in East Asia over the coming decade. Co-chaired by former Deputy Secretary of State Richard Armitage and former Assistant Secretary of State for East Asian and Pacific Affairs Kurt Campbell, the task force includes former senior US government officials and observers, both from the Department of Defense and Department of State, as well as academic and think tank experts. The task force also had significant engagement with thought and opinion leaders in the East Asian region to assess their perceptions of US security guarantees. This task force is generously sponsored by the John D. and Catherine T. MacArthur Foundation, with additional funding from the Taipei Economic and Cultural Representative Office in the US and the Sasakawa Peace Foundation. The task force would like to recognize the active collaboration, cooperation and support of the Japan Institute of International Affairs, the Tokyo Foundation, the Lawrence Livermore National Laboratory, and the Asan Institute.

It remains squarely in America's interest to maintain the credibility of these commitments. The challenge, however, is that US extended deterrence in East Asia—an essential ingredient to sustain regional peace and prosperity—is increasingly under strain. Should it substantially erode, significant instability will invariably emerge. Revitalizing the strength of US security commitments is therefore a first-order task in Washington's Asia policy.

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The Nature of the Challenge

While US interests and alliances extend into Southeast Asia and Australia, this study focuses on Northeast Asia, where China and North Korea are employing new capabilities and tactics that have the potential to undermine US extended deterrence.

The continued modernization of China's conventional and nuclear forces is altering the strategic balance in the region. The People's Liberation Army's (PLA) road-mobile nuclear delivery platforms, combined with an emerging fleet of nuclear-powered ballistic missile submarines, are enhancing China's second-strike capability. More broadly, China is developing a more sophisticated and modernized nuclear force that will inevitably provide it with more tailored and flexible options. Even if relatively modest and, as China asserts, defensive in nature, these developments would increase the credibility of Chinese threats and offer the PLA greater ability to wield its nuclear forces for strategic effect.

China's substantial conventional military modernization, even if less opaque than its nuclear modernization, is arguably more challenging to US extended deterrence in Northeast Asia. A core feature of the regional security environment throughout the post-World War II period has been the US military presence and ability of the United States to project power into Asia and readily deter or defeat potential adversaries once there. Force projection platforms, including aircraft carriers and major operating bases in the region, have enabled the United States to surge, mass, and project decisive military power throughout maritime Asia.

In response to this distinct US advantage, China has resolutely developed counter-intervention capabilities, commonly referred to in the United States as "antiaccess area-denial" (A2/AD) capabilities, specifically designed to blunt the US ability to effectively project power into the region. As part of this effort, the PLA has amassed a large ballistic and cruise missile arsenal, a growing and increasingly sophisticated air force and navy, and capable command and control systems to employ these forces.

The cumulative effect is that, under existing US capabilities and concepts of operations, US forces would face substantially greater risk in the Western Pacific, even operating from key US bases in Japan. These dynamics increase the potential costs for the United States to fulfill its security commitments, in sharp contrast to decades prior when US forces could operate with relative impunity throughout the region.

A third Chinese challenge to US extended deterrence has grown more prominent in recent years as Beijing has stepped up efforts to assert its territorial claims over disputed islands and maritime zones in the East and South China Seas. Rather than undermining the ability of the United States to conduct major war in East Asia, this set of tactics seeks to operate below the military threshold, in what Japan has termed "gray zones."

Through various forms of economic, diplomatic, and military coercion, China has sought to incrementally alter the territorial status quo in Asia in ways that approach, but do not cross, what Beijing judges to be red lines for US military intervention. These activities have included land reclamation on disputed features, drilling for resources in contested waters, announcing an Air Defense Identification Zone over much of the East China Sea, and conducting persistent incursions into Japanese-administered areas around and above the Senkaku Islands. Although none of these actions is, in and of itself, particularly consequential or unmanageable for the United States and its allies, together they have the potential to change facts on the ground and ultimately alter the status quo in ways that challenge the utility and effectiveness of US extended deterrence.

Finally, China is developing capabilities in space and cyberspace that are contesting these global commons and can be employed at multiple levels of conflict. This is particularly relevant to the extended deterrence question both because concepts like deterrence and escalation are distinctly underdeveloped for the cyber domain, and because cyberattacks themselves are more difficult to counter from an operational perspective—even if the strategic dynamics were better understood.

Across China's northeastern border, North Korea's ongoing nuclear and conventional modernization programs, particularly under a regime led by an inexperienced and unpredictable leader, further complicate US efforts to deter attacks on South Korea and Japan. High-level purges within the North Korean government and military have only compounded the problem of trying to understand and influence decision-making in Pyongyang.

Meanwhile, North Korea's ability to exact serious damage on South Korea, Japan, and US forces in the region is only increasing. This is due to its maturing missile and nuclear capabilities, as well as ongoing investments in cyber and special operations forces. Moreover, North Korea is working to develop nuclear-capable missiles that can reach the United States,

magnifying the potential consequences for Washington of responding with force to a North Korean provocation or attack.

Extended deterrence remains central to US strategy in the region. But the reality is that increasingly troublesome trends are beginning to affect the United States' ability to fulfill security commitments in the region—and therefore its credibility—while drastically raising the potential costs of doing so. The good news, and the impetus for this study, is that farsighted strategy, along with sufficient attention and resources, can contribute greatly to reinvigorating US extended deterrence in Northeast Asia.

The Way Forward

The United States should respond to these pressures on its alliance commitments in Northeast Asia through a comprehensive approach that combines new military capabilities and concepts; deft diplomacy with China, Japan, and South Korea; continued support for strengthening regional institutions; and greater attention to issues of primary interest to the region such as economics, trade, energy, and climate change.

Although it remains a matter of intense debate which military capabilities the United States should invest in to enhance its extended deterrence commitments in Northeast Asia, the problem set is relatively clear: the United States requires sufficient and appropriate capabilities to deter China and North Korea at multiple points on the conflict spectrum, including nuclear, conventional, and in “gray zones” below the military threshold.

Planned modernization of the US nuclear triad, the weapons for it, and associated command and control capabilities are vital for maintaining an effective extended deterrent posture for the region. It is therefore essential that the United States sufficiently resource and implement its plans for modernization of the nuclear force. The United States should also dedicate increased attention to understanding and addressing evolving Chinese and North Korean strategies for wielding their military forces—and especially their nuclear forces. These measures will have to be prioritized despite pressures for further nuclear reductions and ongoing discussions about aspirations for a nuclear-free world.

To promote peace and stability in Northeast Asia, the United States should also continue pursuing nuclear and conventional risk reduction mechanisms. Such efforts are fully compatible with a robust modernization program and deterrent posture.

Meanwhile, the United States will have to respond through multiple means to the challenge of China's growing A2/AD capabilities. These include revising US force posture in the region to ensure greater access and dispersal, devoting sufficient budgetary resources to develop advanced and emerging technologies capable of penetrating and weakening China's antiaccess measures, as well as developing new ways of warfighting such as the Air-Sea Battle concept. Much of this can also occur within the context of the US-Japan alliance and should inform the new US-Japan Defense Guidelines. The United States could also consider working with Japan and other allies and security partners in the region to develop their own counterintervention capabilities to act as a further deterrent against Chinese coercion.

These rungs of the escalation ladder are fundamentally connected. For example, the conventional balance in East Asia informs both US nuclear policy and Chinese behavior in “gray zones.” Nevertheless, maintaining deterrence in any one of these domains should be treated as necessary but insufficient. In particular, it is vital for US strategy to reflect the reality that superior capabilities at higher levels of escalation will not automatically compensate for shortcomings elsewhere. In other words, the capabilities necessary to fight and win a major conflict with China are likely insufficient for “gray zone” deterrence. Addressing this challenge should be a priority of the current effort to update the US-Japan Defense Guidelines.

As a result, much work remains to be done in designing more effective strategies to deter China's maritime coercion. This calls for new concepts of operations, some of which will have to consider ways to impose greater costs on China for its destabilizing behavior. At the same time, Washington should consider possible incentives for encouraging Beijing to choose an alternative path more consistent with accepted international rules and norms.

US allies and partners will increasingly need better methods for sharing intelligence and stronger capabilities in areas such as amphibious operations; intelligence, surveillance, and reconnaissance (ISR); and maritime patrol and interdiction. Going beyond military instruments alone, the political and economic dimensions will be at least as relevant to “gray zone” deterrence.

Moreover, this underscores the point that nonmilitary elements will be central to underscoring the US commitment to the region. Even as the US military develops new capabilities and revises its force posture to improve US extended deterrence, it will be equally

important to cultivate perceptions of US political will to use those capabilities if necessary.

Stated policy and doctrine are the starting point for shaping regional perceptions about the United States' intentions and commitments. It is imperative that these official statements are backed by political and military credibility of the highest order. As China and North Korea develop increasingly destabilizing capabilities, it will be important for US policymakers to consider being clearer about how Washington would respond to certain actions that directly threaten the national interests of the United States and its allies.

Frequent and high-level diplomacy in Asia is also critical, as is robust US engagement in regional institutions and sustained efforts to make them more effective. America's newfound bounty of oil and natural gas resulting from the shale revolution also presents key opportunities to shape an energy policy that demonstrates a commitment to Asian security and prosperity. Moreover, US attention to economics and trade policy, specifically the Trans-Pacific Partnership, will serve as an important signal about the extent to which the United States remains intent on playing a leadership role in Asia.

All of these efforts will have to be combined with a diplomatic strategy that engages governments throughout the region, both to deepen coordination among US allies and to effectively communicate US capabilities and intentions.

In this context, it is vital to repair relations between Seoul and Tokyo while moving toward concrete trilateral cooperation on issues such as information sharing and missile defense. A more coherent and capable relationship between the United States and its allies is deeply relevant to deterring both China and North Korea. Governments in Japan and South Korea are ultimately responsible for overcoming domestic political factors that continue to hinder critical trilateral cooperation.

Meanwhile, US diplomatic and military engagements with Japan should build bilateral crisis management mechanisms and develop alliance responses to "gray zone" contingencies. In the case of South Korea, dialogues with the United States should continue examining the problem of escalation control with North Korea and how best to address the looming issue of transferring wartime operational control to Seoul. Existing bilateral extended deterrence dialogues with both allies should be leveraged to address these issues and to ensure that US extended nuclear deterrence posture sufficiently reassures both capitals.

Finally, any strategy to enhance US security commitments in East Asia should include intensive, regular, and high-level diplomacy with China to accurately gauge Beijing's intentions, explain the purpose of specific US actions, and, when necessary, send consequential messages about the potential implications of destabilizing Chinese behavior. The United States should also seek more substantive engagement with China on mechanisms for deescalation in the East China Sea and crisis management during a North Korean contingency.

With China having benefited tremendously for decades from the prevailing regional order, an overriding goal of these more narrow initiatives should be to enlist Beijing in working together with the United States to support the overall operating system of Asia.

Ultimately, although US security commitments are increasingly under strain from China and North Korea, a focused and concerted effort can revitalize what has been a core factor in maintaining regional peace and prosperity. US extended deterrence in Asia is a success story and can remain so for decades with appropriate adjustments to US strategy, attention, and resources.

Task Force Recommendations

1 Clarity in US strategic doctrine and nuclear declaratory policy: Despite an overall effort to reduce the role of nuclear weapons in US strategy, it is essential that the United States continues to adhere to and publically proclaim its nuclear umbrella in support of its allies in the Asia-Pacific. A key component of this effort will include official declaratory statements from the highest levels of government, including from the president. While it is critical for the United States to reassure its allies, these statements must also address domestic audiences in order to ensure the American public's understanding and support for an ambitious policy in the Asia-Pacific region.

2 Enhanced strategic dialogues with allies and friends in Asia: Sustained interactions with allies in the Asia-Pacific are critical to maintaining the region's confidence in the US commitment to conventional deterrence. In addition to the Extended Deterrence Dialogues (EDDs) with Japan and South Korea, the United States has expanded the scope of these discussions to capture broader security elements, including missile defense, space, cyber, and contingency planning. The EDDs play an important assurance role and create a greater sense of enfranchisement. It is important to keep sustained US high-level focus on EDDs to avoid complacency and bureaucratic inertia. Moreover, efforts to increase strategic dialogues with other friends in the region such as Australia, Singapore,

the Philippines, and—in the future—Vietnam will play a critical assurance role and foster a greater sense of enfranchisement among US allies in the region.

3 An updated US-Japan alliance: The current process of defining new US-Japan Defense Guidelines offers an important opportunity to deepen the alliance. It should be a venue to improve early warning and response as well as intelligence sharing; clarify grey area sharing of responsibility and understandings on escalation ladders; create a permanent crisis management mechanism and better integrate planning; coordinate security cooperation with third countries (e.g., the Philippines or Vietnam); and enhance defense-industrial cooperation to develop emerging technologies.

4 Comprehensive strategic stability in engagements with China: Any effort to establish strategic stability in Asia requires more high-level engagements with China. Given the growing distrust on both sides, exacerbated by maritime security tensions and cyber security practices, a deep and sustained commitment to establishing “rules of the road” between the United States and China will be vital in order to avoid miscalculations and mitigate potential escalation scenarios. A productive engagement strategy with China will require a comprehensive approach that includes military-to-military dialogue; increasing discussions on nuclear forces, cyber, space, and intelligence cooperation; and general exchanges between civilian leadership to identify areas of practical cooperation in military confidence building, development, energy security, and disaster relief.

5 US conventional force shifts to Asia, as articulated by senior officials: US policy should underscore the statements made by senior officials on US force posture in the Asia-Pacific. Former Secretary of Defense Panetta stated a goal to shift 60 percent of Navy forces to the region by 2020; Secretary Hagel reaffirmed this commitment during the 2014 Shangri-La Dialogue, adding that the Air Force will also aim to redeploy 60 percent of its fleet to the region by the same target year. US officials should ensure that these commitments are protected, sustained, and made abundantly clear in every document, assessment, and high-level statement.

6 Investments in key new technologies and capabilities: Relatively modest investments in emerging conventional technologies have the potential to realize transformative returns on bolstering extended deterrence capabilities. An estimated annual investment of \$300 million into advanced research and developments concepts could provide US conventional

forces with greater capacity and efficiency to deter aggression through the widespread deployment of electric lasers, rail guns, and next generation electronic warfare systems by fiscal year 2018.

7 Support for essential economic and energy aspects of US engagement and deterrence: In addition to sustaining high-level political engagements, US leadership will increasingly be judged on its ability and commitment to economic engagement in the region. Within this context, the successful conclusion of the Trans-Pacific Partnership negotiations, particularly with regards to the US-Japan bilateral agreements, will serve as a key indicator for forward momentum. On a parallel track, the United States should consider expediting the approval for gas exports—especially for liquefied natural gas processing facilities on the West Coast—and revamp the outmoded 1970s architecture of laws and regulations curbing oil exports. The expansion of the US role as a provider of energy security to its allies and the region writ large would strategically enhance the US posture in the Asia-Pacific.

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