

26 June 2012

The Balance of Power in a "Complex" Northeast Asia

Are China, Japan and South Korea "locked in" to a traditional balance of power dynamic, or does another future path exist?

By Stephen Ranger and Yang Gyu Kim for ISN

Aaron Freidberg predicted at the end of the Cold War that "Europe's past could well be Asia's future". Whereas Europe was once defined by a traditional balance of power, a deepening of economic and political ties has allowed most of the continent to overcome historical animosity and tension. By contrast, Northeast Asia continues to be associated with balance of power dynamics that seemingly overlook increased regional economic integration. Yet does this mean that Northeast Asia is predestined to be defined by the same old balance of power politics? For economic as much as geopolitical reasons, the region's states may increasingly gravitate toward China to form a more hierarchical system resembling the past regional order. If so, then the future of Northeast Asia though may not resemble either Europe's past or its own historical order. What will likely emerge is a more "complex" order reflecting the megatrends of globalization, democratization, and IT revolution as well as - more significantly - the shifting power in the region between China and the US.

Why does Balance of Power persist in Northeast Asia?

In understanding how the balance of power dynamic continues to persist in the region, three factors need to be considered. The first is the role of the US in the region as an "offshore balancer". Until the US became involved in Northeast Asia, China was historically the uncontested regional power. The *tianxia* or hierarchical system was for hundreds of years the only system in the region where countries simply recognized the dominant position of China. In this unipolar system, actors tended to bandwagon with the hegemonic power rather than balance against it. Accordingly, the very existence then of an "offshore balancer" provides structural explanation for why the balance of power game continues to be played in Northeast Asia and why a return to the old order is unlikely.

The next factor concerns the so-called "memory wars" among the countries of Northeast Asia. In particular, Japan's coercive colonial rule over the region is often regarded as major obstacle for regional cooperation. Indeed, although its colonial exploits came to a halt with the end of the Second World War, the most contentious war crimes committed by Japan still remain the most sensitive issues today. Controversies such as the Nanjing massacre, human experimentation and biological warfare, forced labor, and comfort women have still not been properly discussed or resolved. And

visits by Japanese political figures to the Yasukuni Shrine and the publication of textbooks that downplay past atrocities, raises concerns that Japan is actually paying tribute to its past actions. Accordingly, the historical legacies of the past continue to shape international relations of the present. What makes this a more complicated factor to overcome is that it is mainly driven by popular sentiment in each country which implicitly views such issues as connected to national identity.

As a result, nationalist politics and ideologies continue to shape the Northeast Asian region. Although the countries of the region have a long and rich history, it has only been since the end of World War II that these countries have been able to embrace the concept of the nation-state. In that sense, the persistence of nationalism is a reflection of the fact that most countries in the region still have not completed the full task of building the nation-state. This can be seen in the way China's "core interests" focus on sovereignty and territorial integrity, the fact that Korean Peninsula remains ideologically divided, and that Japan seeks to be a "normal country".

Will the Balance of Power continue to dominate?

If the balance of power continues to dominate the region in this way, what could be the expected outcome for the regional architecture? With the rise of China and the relative decline of the US, it would be expected that Washington will be seeking relations and diplomatic ties to balance against Beijing. As Jack S Levy and William R Thompson have noted, sea powers (US) are considered to be less of a threat than land powers (China). Accordingly, the likes of Japan and South Korea are more likely to cooperate with the US to counter the increasing influence of China. If so, then a "cold war" could eventually resurface in Northeast Asia.

This, however, would be a simplistic view of the future regional architecture. As a result of major structural changes, international relations in the twenty-first century will be based upon different organizing principles. Accordingly, future US-China relations will not be like US-Soviet relations. What is more likely to develop is what Young-Sun Ha describes as a "complex" network between the two countries, which will then have a subsequent impact upon relations among Northeast Asian countries. The following characteristics that might make up such an international system reflect the difference of this post-modern era from that of the Cold War period.

Multiple actors: Under the traditional balance of power system, the state was the primary focus as the main actor. While the state remains as the most important and powerful actor, it now coexists with multiple actors. Non-state actors and transnational institutions are now playing a major role. Although thirty years have passed since the liberalist school first pointed out the importance of non-state actors, the importance of non-state actors has significantly increased since 9/11. This event changed the rules of game in international relations and in particular undermined the modern principle of non-intervention in internal affairs. This implies that in the twenty-first century, states will directly interact with non-state actors without dealing with the states where non-state actors reside. Moreover, mechanisms of global governance such as the G-20 exert an undeniable influence over the decision making process of the member states. Consequently, both China and the US will have to compete with these diverse actors for regional power and influence. This will undoubtedly make bilateral relations a lot more complex than the Cold War era.

Interdependent relations: The Cold War was marked by two opposing political and economic systems. There was also a clear division between the two sides, characterized by exclusive alliances and blocs and with very few linkages between the two superpowers. In the twenty-first century, China and the US are not so diametrically opposed despite some economic and political differences. The world is also less shaped by exclusive alliances and blocs and more by an inclusive world order shaped by "norms" and overlapping interests. Economically, China and the US are far more

economically integrated with a creditor/debtor relationship that makes each side heavily dependent on the other.

Asymmetric relationship: In terms of national power, especially military and nuclear capabilities, the Soviet Union was considered to be level with the US. However, neither the US nor China currently views the bilateral relationship as being on an equal footing. Although some have argued for a G2 era in which the two countries would cooperate to address global challenges, Beijing has been very uncomfortable with such an idea. There are many reasons behind this Chinese position, but above all, Beijing understands very clearly that it cannot yet match the US. China's military expenditure is growing rapidly, however its budget (USD 129,272 million) is still nearly one-sixth compared to that of the US (USD 689,591 million). China possesses a limited nuclear force, restrained by its own "no-first use" policy which therefore cannot be compared in size or posture to the US. Naturally, Beijing will try to enhance its military capability in line with its economic growth and global interests. Still it would be premature to expect China will secure a capability that is equivalent to that of the US anytime soon.

From this perspective, China and the US will not be competing for hegemony, but rather for leadership in the region. Reflecting the structure of US-China relations, countries in the region will therefore not form exclusive blocs under either a US or Chinese hegemony. Rather middle powers such as South Korea and Japan will be able to pursue more "complex" relations that reflect their own national interests.

What will be the future architecture for the region?

The economic architecture currently being established across Northeast Asia provides indicators as to where the international relations of the region are headed. China has been pursuing Free-Trade Agreement (FTA) networks to link economies in Asia together, while the US has been pushing ahead with its Trans-Pacific Partnership (TPP) to counter China's initiative and strengthen its economic leadership. Some have argued that the competing trade networks pursued by Washington and Beijing will lead to an economic war between two blocs as both models are incompatible with one another. By contrast though, Japan and South Korea are not playing the expected simple balance of power game by aligning with one side or the other. During the fifth Trilateral Summit Meeting in May 2012, China, Japan, and South Korea agreed to launch Trilateral FTA talks. This came after Japan's announcement the previous November that it would pursue negotiations to join the TPP. It should also be noted that South Korea has already concluded its own FTA with the US. This shows that Tokyo and Seoul are able to avoid falling into US-China competition over regional leadership.

The reason behind these efforts from Japan and South Korea is national interest. Both countries are heavily dependent on China in terms of exports, yet they have relied upon the US for their security for over sixty years. But as the balance of power dynamic in Northeast Asia will become more complex, Japan and South Korea will be able to develop different linkages with the US and China without establishing an integrated regional order. It is too early to conclude that this "complex" structure will totally overcome the balance of power dynamic. As long as historical memories and nationalism persist in the region, mistrust and antagonism will always hinder cooperation and integration in Northeast Asia. However, as long as the US and China, the two great powers in the region prefer to engage in a more complex game rather than a simple balance of power Japan and South Korea will maintain a complex interest structure in US-China relations. The future architecture in the region will then be based upon multiple game rules.

ш	lո	14	⊢	
u	"	Ш	Ι.	

Yang Gyu Kim is a research fellow at the East Asia Institute's Peace and Security Research Unit.

Editor's note:

For more content on Northeast Asia, please see our <u>dossier</u> on the topic.

For more information on issues and events that shape our world please visit the ISN's <u>Security Watch</u> and <u>Blog</u>.

Publisher

International Relations and Security Network (ISN)

Creative Commons - Attribution-Noncommercial-No Derivative Works 3.0 Unported

 $\underline{http://www.isn.ethz.ch/Digital-Library/Articles/Detail/?ots591=4888caa0-b3db-1461-98b9-e20e7b9c13d4\&lng=en\&id=144426abb-1461-98b9-e20e7b9c13d4\&lng=en\&id=144446abb-1461-98b9-e20e7b9c13d4\&lng=en\&id=144446abb-1461-98b9-e20e7b9c13d4&lng=en\&id=144446abb-1461-98b9-e20e7b9c13d4&lng=en\&id=144446abb-1461-98b9-e20e7b9c13d4&lng=en\&id=14446abb-1461-98b9-e20e7b9c13d4&lng=en\&id=14446abb-1461-98b9-e20e7b9c13d4&lng=en\&id=14446abb-1461-98b9-e20e7b9c13d4&lng=en\&id=144446abb-1461-98b9-e20e7b9c13d4&lng=en\&id=14446abb-1461-98b9-e20e7b9-e20e7b9c13d4&lng=en\&id=14446abb-1461-98b9-e20e7b9c13d4&lng=en\&id=1446abb-1461-98b9-e20e7b9c13d4&lng=en\&id=1446abb-1461-98b9-e20e7b9c13d4&lng=en\&id=1446abb-1461-98b9-e20e7b9c13d4&lng=en\&id=14446abb-1461-98b9-e20e7b9c13d4&lng=en\&id=14446abb-1461-98b9-e20e7$

ISN, Center for Security Studies (CSS), ETH Zurich, Switzerland