



Statement before the Senate Armed Services Committee

"U.S. DEFENSE POLICY ISSUES PERTAINING TO THE ASIA-PACIFIC THEATER"

A Statement by:

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In public opinion polls a majority of Americans now identify Asia as the most important region to U.S. interests. They are right. Five of the seven nuclear-weapon states are in Asia (and that is not including North Korea); 58% of U.S. trade is with APEC countries alone; The Asian Development Bank projects that by 2050 Asia and the Pacific will account for 51% of global GDP.

The greatest source of uncertainty in Asia today is China's trajectory. The good news is that the major powers in the region are primarily focused on economic reform and growth; that the United States has strong allies and partners in Asia; that with few exceptions our democratic principles have more attraction in the region than the so-called "Beijing consensus" of authoritarian rule; that our military capabilities remain unmatched; and that Chinese leaders still consider positive U.S.-China relations to be a vital interest.

The bad news is that China is developing anti-access/area-denial capabilities that will make it increasingly difficult for us to operate within the offshore island chains centered on Japan and Guam; that despite the administration's announcement of a "rebalance" to the Asia-Pacific, China has not been dissuaded from its lightning campaign to construct island ports and air bases, nor its military and paramilitary operations to consolidate control over the East and South China Seas (highlighted this past week by the CSIS Asian Maritime Transparency Initiative); that events in Syria and Ukraine have raised questions about American willpower; and that sequestration and the current trajectory of the defense budget are forcing the Pentagon to choose between

maintaining legacy assets like carriers and new technologies needed to maintain deterrence in the Western Pacific.

On balance the American grand strategy of building an open trans-Pacific regional order and deterring other powers from seeking hegemony within Asia is succeeding, but we risk losing some of our comparative advantages. The following initiatives are critical:

First, we must shore-up U.S. deterrence against increasingly capable challengers. Our forward military presence in Japan, Korea and Guam lies at the core of our deterrence posture, but those bases are under increasing threat from Chinese and North Korean missiles. When our forward bases in the Western Pacific became vulnerable in the 1930s, we pulled most of our shrinking Navy back and tried to deter the Japanese from the West Coast and Hawaii. Deterrence failed. When the Soviets built-up their offensive power in the North Pacific in the 1970s and 80s, Ronald Reagan turned the offshore island chain into a picket fence to bottle them up – tightening defense cooperation with Japan and recapitalizing the Navy and Air Force. In the late 1970s, Soviet boomers operated with impunity off the coast of Hawaii. By the mid-1980s, they rarely left the Sea of Okhotsk. Technologies have changed, but Reagan's maritime strategy provides the better guide.

Second, we must shore-up vulnerable states along the first island chain. The Departments of State and Defense have taken important first steps with the U.S.-Philippines Enhanced Defense Cooperation Agreement (EDCA) and U.S. decision to partially lift the ban on lethal weapons sales to Vietnam and to provide it with Coast

Guard aid. Japan and Australia have also stepped up support. The PACOM area of responsibility only receives about one percent of all Foreign Military Financing, however, these states need better maritime domain awareness and transparency about Chinese activities and improved capabilities to deal with natural disasters and internal security challenges that leave them exposed to external pressure. Enhanced U.S. engagement, access and presence will give these states greater confidence, complicate Chinese coercion efforts, and disperse U.S. forces by alleviating the heavy concentration of bases in Japan and Korea. We have been underinvested in Southeast Asia since the 1969 Guam Doctrine and the withdrawal from Clark and Subic Bay. We need to restore our defense engagement and presence in the region. These so-called "shaping" activities are now almost as important as deterrence itself, since the United States seeks to avoid vacuums that invite expansion and increase the risk of great power confrontation. In that context, Department of Defense plans for dispersing the U.S. Marine Corps presence in the Western Pacific represents sound strategy – though the operational and budget details warrant continued scrutiny from the Congress.

Third, we need an all of government approach. The Defense Department cannot do this alone. Secretary Carter emphasized how important the Trans-Pacific Partnership (TPP) is to U.S. security interests in the Pacific and he is right. Should negotiations on TPP falter this year, there will be new doubts about the strategic competence and staying power of the United States in Asia and the Pacific. That said, trade is not a substitute for deterrence. After the multilateral agreements of the 1920s the United States stopped building battleships and the President of J.P. Morgan declared that war was with Japan would never happen because of growing economic cooperation. The 2010 Quadrennial

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Defense Review Independent Panel called for a U.S. fleet of 346 ships. That was before China's more aggressive moves in the East and South China Seas. We are now on a trajectory for just over 300 ships.

Finally, we must consider all of this from China's perspective. China respects strength, but also deserves respect. U.S.-China relations have been most stable when the U.S.-Japan alliance is resolute, so our reassurance strategy must never involve pandering to Beijing's calls for a "new model of great power relations" between the United States and China that demotes our allies to secondary power status. But we should continue pushing for transparency, confidence-building, and above all, consistent articulation of U.S. interests, values and commitments.