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US 1, China 0 by Ralph A. Cossa

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"US 1, China 0." This was the unofficial headline coming out of the Shangri-La Dialogue in Singapore this past weekend. One would be tempted to add a more provocative sub-headline: *"China fades away as America rebalances toward Asia."* Of course, no one would use such a headline. But imagine what the headline would have been if Secretary of Defense Leon Panetta had not attended this year's International Institute for Strategic Studies (IISS) gathering and Chinese Defense Minister Liang Guanglie had showed up, instead of the reverse. This would have surely been portrayed as evidence of America's decline.

Panetta's central message was clearly and directly to the contrary: "Make no mistake – in a steady, deliberate, and sustainable way the United States military is rebalancing and bringing an enhanced capability development to this vital region." When it comes to the question of sustaining this capability, he noted: "We were there then, we are here now, and we will be here for the future."

Some remain unpersuaded. The day after the meeting, Tim Huxley, executive director of IISS-Asia, opined that "I don't think countries in the region will ever be convinced (by the pivot) because everybody knows the US is a declining power in relative terms. Panetta's job is to reassure that the US presence is enduring, but China is self-evidently growing not only militarily but also more confident." Perhaps he missed Panetta's main message: "For those who are concerned about the ability of the United States to maintain a strong presence in the Asia-Pacific region in light of the fiscal pressures we face, let me be very clear. The Department of Defense has a fiveyear budget plan and a detailed blueprint for implementing [its new 'rebalancing'] strategy . . . by 2020 the Navy will reposture its forces from today's roughly 50/50 percent split between the Pacific and the Atlantic to about a 60/40 split between those oceans. That will include six aircraft carriers in this region, a majority of our cruisers, destroyers, Littoral Combat Ships, and submarines."

Or he may have failed to read the annual IISS Military Balance publication. Whose military would you rather have: America's or China's? How about in 20 years (when, if the Chinese are lucky, they will be approaching the capabilities the US has possessed for years)? More importantly, whose problems and domestic challenges would you rather have?

Meanwhile, a sidebar to those obsessed with the concept of America's "relative decline." During the Cold War, US and Soviet forces were at near-parity in the Asia-Pacific region. Today the gap between the US military and the region's second most capable force is enormous, and at least in terms

of naval and air force capabilities, that force belongs to Japan, not China. (I would rank the South Korea army first among the region's ground forces in terms of capabilities and downright tenacity.) While China has made significant improvements in terms of its military capabilities, it remains several generations behind the US military. And while China's economy is now second in the world, on a per capita basis it remains very much a third world country. America's relative decline? Relative to what?

If China is becoming so increasingly confident, how come Minister Liang did not show up at Shangri-La this year? The official explanation, put forth by the conference convenor was that he was preoccupied with "domestic priorities" and, indeed, one could argue that senior Chinese officials might be hesitant to leave the capital as the game of musical chairs is still underway in the wake of the Bo Xilai scandal. But then why was Liang in Cambodia a week or so ago for the ASEAN Defense Minister Meeting (ADMM)? China is obviously not a member of the ADMM but Liang reportedly requested the opportunity to come and explain China's position on the South China Sea to the assembled ASEAN ministers. (Cambodia has a long track record of not being able to say no to virtually any Chinese request.) Chinese colleagues told me privately that Liang would have been much less willing to answer those questions in front of an international audience that included "disrespectful" foreign journalists. Even more frightening would have been the inevitable questions about China's internal politics. It seems China's growing confidence still has its limits.

For his part, Panetta (like his immediate predecessor, Robert Gates) was very careful not to couch America's "rebalancing" ("pivot" is no longer the term of art) in terms of China: "Some view the increased emphasis by the United States on the Asia-Pacific region as some kind of challenge to China. I reject that view entirely. Our effort to renew and intensify our involvement in Asia is fully compatible – fully compatible – with the development and growth of China. Indeed, increased US involvement in this region will benefit China as it advances our shared security and prosperity for the future."

In response to a question arguing the opposite, Panetta reinforced his message: "the United States has been a power presence in the Pacific in the past and we will remain so and strengthen that in the future, and that's true for China as well. But if both of us work together, if both of us abide by international rules and international order, if both of us can work together to promote peace and prosperity and resolve disputes in this region, then both of us will benefit from that." While acknowledging that the Pentagon remained "cleareyed" about the potential challenges posed by China, he insisted that Washington still sought closer cooperation and a closer relationship: "We're not naive about the relationship and neither is China. We both understand the differences we have. We both understand the conflicts we have, but we also both understand that there really is no other alternative but for both of us to engage and to improve our communications and to improve our mil-to-mil relationships."

Panetta rejected the accusation that US military assistance to the Philippines, a US treaty ally, was somehow emboldening Manila to confront China: "I don't think we should take the attitude that just because we improve their capabilities that we're asking for more trouble because that will guarantee that the only powers in this region then are going to be the United States and China as opposed to other nations having the ability to engage in defending and promoting their own security."

Such assurance notwithstanding, it amazes me how many in ASEAN now seem to accept as fact that the cause of the current tensions in the South China Sea is not the encroachments into the Philippine exclusive economic zone (EEZ) by Chinese fishing fleets (which have been caught redhanded illegally harvesting endangered coral and protected species) but rather Philippine attempts to protect its own sovereignty. Whatever happened to ASEAN unity?

Panetta chose, perhaps wisely, to sidestep the morning's most provocative question - "You say that the US doesn't take sides in territorial disputes, but unless the US takes a more aggressive stance on China's actions in the South China Sea, is the US not in danger of being seen as a more impotent power as you're trying to project yourself as a more potent power?" - arguing instead that it was up to China and ASEAN to develop and then abide by a code of conduct that can help resolve these issues: "That's the only effective way to get this done. It isn't enough for the United States to come charging in and trying to resolve these issues. This is a situation where the countries here have to come together. We will support them. We will encourage them, but ultimately they have to develop a code of conduct and a dispute forum that can resolve those issues." True enough. But one wishes he would have also noted that history is replete with examples of those who ultimately regretted questioning America's potency or commitment to its friends and allies.

As regards the prospects for sequestration - a Congressional action that mandates an additional 20 percent cut in the Pentagon's (and everyone else's) spending across the board this coming January - he argued that "sequester is not a real crisis. It's an artificial crisis." He predicted that the Congress would ultimately remove the gun it had put to its own head and come up with an alternative deficit reduction plan. One can only hope this is true. Many in the audience seemed less convinced. Failure to do so would, as Panetta admitted, be a "disaster."

Panetta wisely deferred when asked to speculate on why Defense Minister Liang was a no-show. This has not stopped the rest of us, however. In addition to the previously discussed arguments, some speculated that this was China's way of demonstrating its contempt for the Dialogue itself (given the presence of too many "outside powers") and/or its preference for the ADMM and expanded ADDM Plus (which includes many but not all of the outside powers present at the Shangri-

La Dialogue). While IISS obviously disagreed – Dialogue host John Chipman assured the audience that China was committed to future events (the Dialogue has been renewed through at least 2019, according to Chipman) – Huxley's description of the ADMM+ as "marginally useful meetings" shows him to be an equal-opportunity skeptic – or perhaps he thinks only the Brits can get it right.

By contrast, Panetta applauded the ADMM+ "for producing real action plans for multilateral military cooperation," calling it "an important step for stability, real coordination, communication, and support." He strongly supported ASEAN's decision to increase the frequency of the ADMM+ from once every three years to every other year. While the two are not mutually exclusive, it appears clear that, at least within Southeast Asia, pride of place will be given to the ASEAN-Driven ADMM+ and it remains to be seen how many ASEAN (and other) defense chiefs will attend both.

This year's Shangri-La Dialogue was not nearly as "boring" as many in the press have described it. There were a number of breakout sessions dealing with sensitive topics such as the South China Sea, Northeast Asian dangers (read: North Korea), and South Asia's growing security threats, but unlike the plenary sessions, these were strictly off-the-record and closed to the press corps. Nonetheless, participants were disappointed by the Chinese failure to send anyone senior to the event – the senior Chinese participant was the vice president of the Chinese Academy of Military Sciences – which (rightfully) denied China a voice during the plenary sessions.

We will have to wait until next year to see if the absence of senior Chinese participants this year was a one-off or the start of a trend worthy of more serious analysis.

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