

***Strategic Asia 2005–06: Military Modernization in an Era of Uncertainty.* Edited by Ashley J. Tellis and Michael Wills. Seattle and Washington, DC: National Bureau of Asian Research, 2005. Softcover: 461 pp.**

The National Bureau of Asian Research (NBR) has established itself as one of the world's leading organizations that promotes strategic analysis. This is well illustrated by its annual publication, *Strategic Asia*, which rivals if not surpasses *Strategic Survey*, issued by the International Institute of Strategic Studies, for the quality of its analysis. The NBR's *Strategic Asia*, however, does not attempt to systematically canvass the previous year's major developments. *Strategic Asia* focuses on a special theme each year and is limited in its geographic coverage.

*Strategic Asia* is a very well-organized volume. Each chapter is prefaced with a short executive summary that succinctly sets out the main argument and policy implications. Each chapter examines the strategic context from the point of view of country or region concerned, analyses the specific types of military modernization programmes that are currently being undertaken, and concludes with an assessment of the political and strategic implications of military modernization in each sub-region as well as Asia as a whole. Unlike *Strategic Survey*, *Strategic Asia* identifies its contributors who are generally leading American specialists. *Strategic Asia* is also fully documented. These footnotes provide a rich guide to current strategic analysis. The chapters in *Strategic Asia* are quite current, indicating a short turnaround time from submission to publication. *Strategic Asia* also contains a brief index.

*Strategic Asia 2005–2006* focuses on military modernization in an era of strategic uncertainty. The editors, Ashley J. Tellis and Michael Wills, define military modernization “as the relevant upgrade or improvement of existing military capabilities through the acquisition of new imported or indigenously developed weapons systems and supporting assets, the incorporation of new doctrines, the creation of new organizational structures, and the institutionalization of new manpower management and combat training regimes” (p. 15). *Strategic Asia 2005–2006* contains 13 chapters grouped into four major sections. The first section comprises an overview of military modernization in Asia. This is followed by five country studies that focus on the major actors — United States, China, Japan, the two Koreas, and Russia (Stephen J. Blank). Section three comprises chapters that canvass military modernization in Central Asia (Kimberly Marten), between India and Pakistan, and Southeast Asia (Sheldon W. Simon).

Section four contains four special studies: Australian strategic policy, nuclear proliferation, China's economic growth, and military modernization in Taiwan.

*Strategic Asia 2005–2006* concludes with a statistical section, "Strategic Asia by the Numbers". Twenty-one strategic indicators are grouped into nine major categories: Economic (GDP, GDP growth, and inflation), Trade (trade, export patterns, import patterns), Investment (FDI, origins of FDI), Population (population, population growth, and life expectancy), Politics and International Relations (politics, political rankings), Energy (energy consumption, oil supplies and reserves), Defence Spending (total defence expenditures, defence expenditure as a share of GDP), Conventional Military Capabilities (manpower, conventional warfare capabilities), Weapons of Mass Destruction, or WMD (nuclear weapons, intercontinental ballistic missiles, non-proliferation commitments, and WMD export control regimes).

In his introductory overview, Tellis writes that military modernization in Asia is a response to strategic uncertainty but the forms that modernization takes reflects "both the diversity of the region itself and the challenges peculiar to each of the 'security complexes' of which Asia is composed" (p. 5). *Strategic Asia 2005–2006* identifies four major security complexes: Northeast Asia, South Asia, Southeast Asia, and Central Asia (p. xi). The Asian continent is the arena where the interests of China, the United States, and Russia actively intersect. Tellis argues that Asia "is poised to become the new center of gravity in global politics" and the site for "the single largest concentration of global economic power" (p. 3).

The complexity of the security environment is a structural driver behind military modernization in Asia. For example, economic growth will be increasingly dependent on access to secure sources of energy and "the protection of energy access constitutes one of the key drivers of military modernization among the large Asian states" (p. 6). Tellis also notes the importance of such internal drivers as "bureaucratic politics, the presence of product champions within various domestic political systems, interest groups with a stake in continued military modernization, and the co-existence of different technologies" (p. 14).

What do the authors of *Strategic Asia 2005–2006* conclude about military modernization in Asia? Michael O'Hanlon addresses the question whether US military modernization will enable the United States to meet likely threats to its national security arising in Asia. O'Hanlon notes that US interests in Asia are likely to remain constant and despite the hype over the Revolution in Military Affairs and transformation, key elements of US military power are changing only

slowly. In his view, the United States faces “unchanging military conflict scenarios” on the Korean peninsula, Taiwan, and nuclear conflict between India and Pakistan. The United States will be able to meet future threats if it (1) retains a range of military capabilities including high-tech assets and infantry forces, (2) has access to military bases in Asia, and (3) receives political support and military assistance from allies (pp. 64–65).

China’s rise is identified throughout *Strategic Asia 2005–2006* as one of the main sources of strategic uncertainty in Asia. David Shambaugh writes “[p]reventing Taiwan independence (and concomitantly bringing about ‘reunification’ with the mainland) is one of China’s highest priorities” (p. 68). He offers the assessment that although China’s military modernization is aimed primarily at Taiwan contingencies it will inevitably extend China’s regional reach. Australia, Japan, India, and Taiwan are all responding to China’s military modernization efforts and Southeast Asian states appear to be hedging their bets. China will not, however, become a first-class military power with global reach over the next decade. Shambaugh’s chapter on China’s military modernization is best read with the special studies chapters on China’s economy by Dwight Perkins and Taiwan’s modernization efforts by Michael D. Swaine and Roy D. Kamphausen. Perkins offers an upbeat assessment of China’s economic prospects predicting high rates of economic growth and increased defence expenditures over the next decade. He argues against protectionist trade measures against Beijing. Swaine and Kamphausen argue that although there are signs that Taiwan’s modernization programme is improving its war-fighting capabilities, there are serious shortcomings and deficiencies including inadequate funding and the lack of clear strategic guidance.

Christopher W. Hughes provides a masterful analysis of Japan’s military modernization efforts. In his view, Japan is on a long-term trajectory to enhance its power projection capabilities in order to assume a more “normal” international security role. Japan’s military modernization will also increase its interoperability with the United States “in order to deal with regional and global security issues” (p. 129). In almost contradictory fashion, Japan is simultaneously strengthening its alliance with the United States while hedging against over-dependence. Hughes concludes that close Japan-US ties may impose opportunity costs on Tokyo as it seeks to pursue non-military approaches to regional security.

The military capabilities of the two Koreas is expertly analysed by Jonathan D. Pollack. The dynamics of change are quite striking.

Pollack argues that the standoff in conventional ground forces will decline in relevance over the next five years. Both Koreas will seek to distance themselves from external powers and pursue deterrence strategies. North Korea will emphasize longer-range strike capabilities while South Korea will step up its defensive capabilities to meet this threat. One major implication to be drawn from Pollack's analysis is that managing the US–Republic of Korea alliance will become increasingly difficult as Seoul becomes more assertive regionally.

Australia too is seeking to enhance its defence self-reliance by increasing its capabilities for regional operations and by modernizing its navy and air force. While problems of alliance management will be less severe than between the United States and South Korea, Hugh White argues that Canberra will press the United States to play a continuing role in the region and accord legitimacy to China's growing role.

According to Pollack, "the United States will primarily focus its goals on deterrence and defence against any prospective nuclear and missile threats that North Korea might pose, and detection and interdiction of any prospective transfers of WMD-related technology and delivery systems that Pyongyang might attempt" (p. 169). What then are the prospects for nuclear proliferation in Asia? Mitchell B. Reiss concludes his study of this question with the sobering assessment that powerful pressures for the acquisition of nuclear weapons will persist and this will necessitate a continuing counter-proliferation leadership role by the United States.

John H. Gill's chapter on India and Pakistan highlights the continuing possibility that miscalculation could lead to nuclear war on the sub-continent. India's military modernization will lead to clear superiority in specific capabilities over Pakistan but these will not be sufficient for India to contemplate a deep strike on Pakistan.

In sum, *Strategic Asia 2005–2006* offers a comprehensive overview of strategic developments in Asia with its focus on the theme of military modernization. China's rise may be the key driver behind this process but numerous other contextual and internal variables must be taken into account to fully comprehend this complex process.

CARLYLE A. THAYER  
*University of New South Wales*  
*at the Australian Defence Force Academy*  
*Canberra*