

***Asia's Cauldron: The South China Sea and the End
of a Stable Pacific***
by Robert Kaplan

Reviewed by Carolyn Posner

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In “Asia’s Cauldron: The South China Sea and the End of a Stable Asia Pacific,” Robert Kaplan forecasts rising tensions in the Pacific, with growing Chinese naval capacity increasingly challenging U.S. regional dominance. The book takes a fresh approach to U.S.-China policy analysis, with comparisons of naval strength offered alongside vivid descriptions of Southeast Asian culture and perspectives from top-level military commanders. While Kaplan offers few predictions for the future, it is clear that a more assertive China will force the United States and its regional partners to make difficult decisions about strategic alliances and military development.

Throughout the book, Kaplan highlights the essential role Pacific-based U.S. forces play in maintaining the regional military balance. The work offers insights based on Kaplan’s meetings with political and military leaders throughout the Asia-Pacific. U.S. partners in Southeast Asia consistently touted the importance of bilateral security relationships with the United States: Singaporean officials told Kaplan that the U.S. Navy is defending globalization by protecting open sea lanes, while Filipino commanders emphasized their need for U.S. cooperation to maintain a “minimal credible defense” (130) against Chinese encroachment. Kaplan underscores these regional perspectives with one of the more declarative statements in the piece – that the withdrawal of even one U.S. aircraft

carrier from the West Pacific would be a “game changer” (12) for the region.

The stakes are getting higher as Chinese economic growth pushes a drive for resources and provides funding for military modernization. Kaplan makes the case that the South China Sea's shipping lanes, which currently provide passage for more than 50% of global oil shipments,¹ are more important than the hydrocarbon and fishery resources found there. Still, estimates put oil reserves in the South China Sea at upwards of seven billion barrels and natural gas reserves at 900 trillion cubic feet,² both of which are important resources for industrial development. Projections estimate that China's increase in energy consumption will account for 50% of global energy demand growth by 2030 (9), making resource acquisition a necessary condition for sustained economic prosperity. With increasing demands on limited resources, regional competition over access to the South China Sea's oil reserves may drive tensions in the Pacific.

China's rapid military development is also fueling a regional arms race, which has reached what Kaplan calls an “action-reaction” (31) phase. In recent years, China's military expenditures have been second only to those of the United States, and the recently announced figures for 2015 confirm a 10.1% increase in the military budget.³ Since some military expenditures are not included in the official statistic, some scholars estimate that total spending is 40% to 55% higher than stated.⁴ In response, many of the East and Southeast Asian nations embroiled in territorial disputes with China are watching current military deployment trends with concern. In the meantime, these countries have increased their investments in modern military technologies, primarily warships, missiles, and missile defense systems. Assuming consistent rates of development, Chinese naval ships will outnumber that of the U.S. Pacific Command by 2020 (35). Advances in China's Anti-Access/Area Denial (A2/AD) capabilities, which could prevent the United States from intervening in regional conflicts near China's border,⁵ heighten concerns among Asia-Pacific leaders about effectiveness of United States as a military partner.

What do increasing Chinese Naval capabilities mean for the future of the Asia-Pacific? Kaplan views China's recent naval assertiveness as nationalistic posturing and sees little chance of large-scale conflicts breaking out over uninhabited islands and open ocean. Instead, the book describes a potential "Finlandization" of smaller nations, in which China's economic and military power might prompt its neighbors to align Chinese policy preferences without military conflict. Economic coercion is a particular concern for Taiwan,⁶ given its extensive economic integration with China. However, any of the small Southeast Asian nations may feel vulnerable to Chinese pressure if the United States is perceived as anything less than a stalwart ally. As Kaplan rightly points out, China's presence in the region is a geographic reality, while the U.S. presence is contingent on domestic political support (61).

While Kaplan convincingly demonstrates the challenges associated with China's naval expansion, this book will frustrate those looking for policy guidance. Going forward, it is clear that the U.S. presence will be a key factor influencing regional dynamics. However, readers are left with more questions than answers about the U.S. response to regional tensions:

Are U.S. interests in the region best served by continuing to deploy significant force levels in Asia-Pacific? If China pressures Taiwan, Vietnam, or Indonesia into more China-friendly policies, should American policymakers really care?

While Kaplan avoids answering these more challenging questions directly, his analysis of power relations in the Asia-Pacific suggests that the United States must maintain a significant military presence, or risk an explosion of regional tensions as smaller states try to balance against China.

China has adopted a cautious strategy of naval expansionism, chipping away at the territorial status quo. Chinese actions in disputed waters are carefully calibrated to avoid provoking U.S. intervention, and to exploit the ambiguities of U.S. defense commitments. This strategy is exemplified by the 2013 conflict surrounding a Chinese oil-drilling rig placed 120 miles off the Vietnamese coast, near the disputed Paracel Islands. Despite clear violations of the UN Convention on the Law of the Sea, to which

China is a signatory, the United States did nothing but call China's actions "provocative."⁷ China has also established de-facto control of the disputed Scarborough Shoal, after a standoff with the Philippines in 2012, which the United States watched from the sidelines.⁸

China will continue to push boundaries in disputed waters as long as there remains virtually no cost to doing so. Without U.S. intervention, China will keep pushing towards a regionally based order, giving itself room to dictate the rules of engagement. This will clash with the U.S. preference for international legal norms, which supports U.S. economic interests in Asia. The U.S. Navy is likely to continue the collaborative efforts with the Philippines, Malaysia, Indonesia, and other nations in the region. However, encouraging – or demanding – naval buildup in any Southeast Asian nation is likely to trigger a renewed arms race in the South China Sea.

Given this reality, the United States must begin to more proactively respond to Chinese provocations against U.S. allies in Southeast Asia. This might include deploying U.S. Naval ships to support allied fleets in confrontations against China. While it is difficult to predict exactly how China will respond to a more active U.S. policy, it is a safe bet that this will not improve U.S.-China relations in the short-term. It may also spill over into other cooperative efforts, undermining U.S.-China cooperation on climate change efforts or in the Middle East.

Still, this is a risk worth taking. By making the "costly sacrifice" of jeopardizing the U.S.-China relationship in the short-term, the United States can demonstrate its commitment to upholding international legal norms regarding sea access and territorial claims at sea. In doing so, the United States will reaffirm its commitment to the region and its allies. While this will not prevent all escalation in tensions, which Kaplan sees as an inevitable consequence of China's military rise, it might forestall the acceleration of a regional arms race caused by uncertainty and insecurity.

Robert D. Kaplan. *Asia's Cauldron: The South China Sea and the End of a Stable Pacific*. New York: Random House, 2014.

Endnotes

¹ Beina Xu, "South China Sea Tensions," *Council on Foreign Relations*, May 14, 2014, <http://www.cfr.org/china/south-china-sea-tensions/p29790>

² Ibid.

³ Jeremy Page, "China to Boost Military Budget by 10.1%," *Wall Street Journal*, March 4, 2015, <http://www.wsj.com/articles/china-to-boost-military-budget-by-about-10-1425457646>

⁴ Sam Perlo-Freeman, "Deciphering China's Latest Defense Budget Figures," Stockholm International Peace Research Institute, March 2014, <http://www.sipri.org/media/newsletter/essay/perlo-freeman-mar-2013>

⁵ "Harry Kazianis, "Welcome to Chinese A2/AD: Version 2.0," *University of Nottingham: China Policy Institute Blog*, February 13, 2014, <http://blogs.nottingham.ac.uk/chinapolicyinstitute/2014/02/13/welcome-to-chinese-a2ad-version-2-0/>

⁶ Bruce Gilley, "Not So Dire Straits: How the Finlandization of Taiwan Benefits U.S. Security," *Foreign Affairs* 81, No. 1 (January/February 2010), <http://www.foreignaffairs.com/articles/65901/bruce-gilley/not-so-dire-straits>

⁷ Paul J. Leaf, "Learning from China's Oil Rig Standoff with Vietnam," *Diplomat*, August 30, 2014, <http://thediplomat.com/2014/08/learning-from-chinas-oil-rig-standoff-with-vietnam/>

⁸ M. Taylor Fravel, "China's Island Strategy: Redefine the Status Quo," *Diplomat*, November 1, 2012, <http://thediplomat.com/2012/11/chinas-island-strategy-redefine-the-status-quo/>