Asian Armed Forces: Internal and External Tasks and Capabilities

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Economic and political tsunamis swept over Asia beginning in 1997, resulting in a period of rapid change and uncertainty. Many nations are now showing signs of economic recovery—although some are not—and many are experiencing remarkable political changes.

In order to assess the impact of these developments on Asian military forces and the possibility for multilateral military cooperation in Southeast Asia, Sheldon Simon, professor of political science at Arizona State University, analyzes recent trends in policy, defense spending, and military acquisitions in the original ASEAN core countries (Indonesia, Malaysia, Thailand, the Philippines, and Singapore). By way of comparison, Professor Simon also examines the direction of East Asia’s most modern military, Japan’s Self Defense Force (JSDF), and its expanding roles within the region.

While Professor Simon finds no indication that ASEAN states are prepared to transform the Association into a military alliance, the 1999 crisis in East Timor provided an opportunity for ASEAN armed forces to participate in cooperative peacekeeping. In a change from its defense orientation of the early 1990s, the United States has been in the forefront of those encouraging such a multilateral approach to regional defense. Moreover, the United States has also urged China and Japan to participate in regional security cooperation. However, according to Professor Simon, the ASEAN states lack the political will, military equipment, and interoperability experience to perform in a multilateral setting.

Japan too remains constrained in its role as a provider of stability and security in the region, despite its recent initiatives to counter missile development in Northeast Asia and strengthen relations with the Republic of Korea. Professor Simon concludes that until Japan and its neighbors agree that Japan has more fully become a “normal” nation and ASEAN
moves in the direction of cooperative defense, there seems to be little alternative for re-
gional security to the maintenance of U.S. forward deployments in the western Pacific.

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Professor Simon’s essay will also appear in a collection of papers resulting from NBR’s
conference. The published volume will be used by policymakers and as a textbook for
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Asian Armed Forces:
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Sheldon W. Simon

In order to assess the impact of the economic crisis on Asian military forces and the possibility for multilateral military cooperation in Southeast Asia, this study analyzes recent trends in defense spending and military acquisitions in the original ASEAN core countries (Indonesia, Malaysia, Thailand, the Philippines, and Singapore). By way of comparison, the direction of East Asia’s most modern military, Japan’s Self Defense Force (JSDF), and its expanding roles within the region are also examined. The paper demonstrates that new prospects for military cooperation between Japan and Southeast Asian countries exist. However, the ASEAN states lack the political will, military equipment, and interoperability experience to perform in a multilateral setting. Moreover, Tokyo’s own political constraints still preclude its forces’ involvement in situations where casualties might occur. Until Japan and its neighbors agree that Japan has become a “normal” nation and until ASEAN moves in the direction of cooperative defense, there seems to be little alternative in the sphere of regional security to the maintenance of U.S. forward deployments in the western Pacific.


Introduction

All armed forces have both domestic and international responsibilities. As a general rule, the less democratically and economically developed a state, the more these responsibilities and capabilities focus on domestic control and the greater the political role and share of defense budgets that go to armies rather than navies and air forces. As countries mature both economically and politically, maintaining domestic order through the use or threat of force usually declines while concern over the preservation of one’s territorial environs, borders, and trade routes increases. Navies and air forces, designed primarily for protection against external predators, as well as the projection of power away from the homeland take on a new importance. Navies and air forces are capital-intensive, requiring both larger defense budgets in general and a greater share of those budgets if their missions are to be achieved. Interservice rivalries over resources, missions, and political clout are a frequent result.

Prior to the economic crisis of 1997-98, Asian-Pacific states were experiencing some of the world’s most rapid economic growth of the century. Attendant upon this growth, the region’s armed forces were also burgeoning. Asian arms imports were 23 percent of the global total in 1996, second only to the Middle East. As a result of the Asian economic crisis, ASEAN states spent 1/3 less on defense in 1998 than 1997, stifling the growth of regional air forces and navies. 1 State of the art systems for air forces and navies were being purchased in both Northeast Asia and Southeast Asia in a post-Cold War buyers’ global arms market. The impact of the economic crisis changed all this virtually overnight. Thailand cut its 1998 defense budget by 30 percent with the prospect of further reductions in 1999. Malaysia reduced its defense spending by close to a billion ringgit (approximately $250 million), canceling all air defense exercises for 1998. The Philippines indefinitely deferred its defense modernization plans, and Indonesia halted the purchase of all new air and naval equipment. Even Japan cut defense spending for 1998 by 0.3 percent, leading to cutbacks in new equipment and a reduction in support for U.S. forces stationed there. Overall, the members of the Association of Southeast Asian Nations (ASEAN) spent one-third less on defense in 1998 than in 1997, with the bulk of the cuts coming from the acquisition of equipment for air forces and navies. 2

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The purpose of this paper is to assess how the armed forces in selected Asian-Pacific states are adjusting to the more limited pace of modernization in the aftermath of the late-1990s economic crisis, how internal turmoil in such states as Indonesia, Thailand, and Malaysia is affecting military missions, and whether multilateral approaches to military cooperation are having an impact on the way these services see the future of regional security. The states selected for analysis include the original ASEAN core—Indonesia, Malaysia, Thailand, the Philippines, and Singapore—whose armed forces are the most developed in Southeast Asia (with the exception of the Philippines) and have been most severely impacted by the economic downturn. By contrast, the paper will also assess the direction of East Asia’s most modern military, Japan’s Self Defense Force, and its expanding roles within the region in collaboration with U.S. forces in the Pacific. Moreover, the paper will demonstrate that new prospects for military cooperation exist between Japan and Southeast Asian countries. These prospects suggest that little concern remains in Southeast Asia over a more active Japanese naval presence in the region. Historical memories, at least in Southeast Asia are fading. The comparison should be instructive for it will contrast modernizing armed forces in Southeast Asia—several of which still have internal security responsibilities alongside external defense roles—with a modern, mature, Japanese military establishment attempting to expand the envelope of political acceptability in East Asia. An examination of the external defense roles of these armed forces should also reveal how probable multilateral security arrangements are in the region’s future and what forms these arrangements may take.

The Economic Crisis, Recovery, and ASEAN Defense Capabilities

Over the past 15 years, the Indonesian, Malaysian, Thai, and Singaporean armed services have acquired tactical missiles, modern surface combatants (destroyers, frigates, and ocean patrol vessels), submarines, maritime patrol aircraft, and multi-role fighter aircraft. In addition to more systems, these same states were planning at the time of the economic meltdown to add electronic warfare and command, control, communications, and intelligence (C3I) capabilities.3

Beyond general balance of power considerations, these new capabilities also serve a broader security agenda, including the exploitation of sea-based resources, the supervision of labor migration, and the enforcement of maritime pollution laws. Continuing to meet these tasks will require the additional purchase of modern combat systems and assistance in their maintenance from developed states. The ASEAN countries themselves have the technical capability to produce only small ships and aircraft. Maintaining local control of ASEAN sea and air spaces, then, requires sustained purchases of these modern systems from external suppliers such as the United States, Britain, Sweden, Germany, and Russia. The economic crisis, however, virtually ended such acquisitions over the past two years. Within ASEAN, the absorptive capacity for advanced technologies exists only in Singapore.4

Not only has defense spending been decimated in all ASEAN states—with the exception of Singapore—but massive currency devaluations have effectively doubled the price of arms procurements on the international market. Should this defense stagnation persist over several years, it will ultimately weaken the region’s ability to participate effectively in joint exercises with U.S. forces. Outdated equipment lacks interoperability with American systems. This could become particularly important if the United States and ASEAN members contemplate joint sea and air cooperation with respect to the sealines of communication (SLOCs) in the South China Sea and around the Spratly Islands. Regional naval and air buildups had been providing the littoral states to the South China Sea with the capacity to patrol Exclusive Economic Zones (EEZs) and potentially share intelligence with each other as well as with the U.S. Seventh Fleet, which operates under the mission to protect regional sea lanes.5 The economic crisis undoubtedly retarded these developments.

Similarly, ASEAN armed services had hoped to develop a capacity independent of the U.S. Seventh Fleet to maintain the Southeast Asian SLOCs, through which almost half the world’s shipping passes. Should the Seventh Fleet be withdrawn or should ASEAN

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4 Ibid., p. 5.
forces by themselves be unable to keep the Strait of Malacca or the sealanes around the Spratly Islands open in the event of a crisis, merchant vessels would be forced to detour through the Indonesian Lombok and Macassar Straits via a route that would go east of the Philippines, significantly raising freight rates and delaying shipments. If the ASEAN states cannot effectively patrol and protect adjacent waters, then the importance of the U.S. Seventh Fleet will be heightened.

The current situation is characterized by only the partial completion of naval and air force modernization programs in Indonesia, Malaysia, Thailand, and Singapore. All have some maritime attack aircraft and modern surface combatants equipped with anti-ship missiles, though only Indonesia deploys two submarines. While Singapore has also acquired some submarines within the past three years, Thai and Malaysian acquisition plans were shelved in 1998, though the more rapid than expected economic recovery could revitalize these plans early in this decade. Mutual suspicions among these states, however, cause them to eye each other warily. They are waiting to see if any is able to take advantage of its neighbors’ economic plight to develop a military edge.

Indonesia

Indonesia faces its most serious political and economic predicament since the abortive communist coup of the mid-1960s. The economic meltdown coincided with concerns over political succession and how to deal with the 30-year Suharto regime’s massive corruption and cronyism. So far, the political transition has been remarkably successful at the national level with the country’s first open elections since 1955 yielding a genuinely popular president and vice president in Abdurrahman Wahid (popularly known as Gus Dur) and Megawati Sukarnoputri respectively. However, democratization has created problems at regional and local levels as ethnic and religious tensions exploded in Timor, Irian Jaya, the Moluccas, and Aceh among other locations.

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8 The first parts of the following Southeast Asian assessments leading up to the economic crisis are drawn from Sheldon W. Simon, “The Economic Crisis and Southeast Asian Security: Changing Priorities,” pp. 16-20.
These upheavals have had traumatic effects on the Indonesian military, which, under Suharto, was tasked with maintaining domestic order all the way down to the villages. Under President Wahid the military’s responsibility for insuring internal security persists; but its hardline and often brutal tactics are increasingly challenged. However, President Wahid has also removed the police from the army’s jurisdiction, making the police responsible to new locally elected bodies. At the same time, the army must share its local powers with newly elected officials and a police force whose links with the army have been severed. Although elements of the military are clearly upset by the erosion of their domestic authority and the new government’s seeming reluctance to use overwhelming force to deal with regional unrest, most observers do not foresee a military coup. Such an action, it is generally agreed, would plunge the country into civil war. So far, at least, the military conservatives—possibly led by former President Suharto’s son-in-law Prabowo Subianto—have been unable to unite the army behind them.\footnote{A good assessment of the factional politics within the Indonesian army may be found in “U.S. Raises Concern of Possible Coup in Indonesia,” STRATFOR.COM, January 19, 2000.}

Nevertheless, President Wahid must walk a political tightrope: holding the military accountable for atrocities in Timor, Aceh, and elsewhere through the Indonesian Human Rights Commission inquiry, while not alienating the armed forces as an institution whose support is essential for the restoration of national order against sectarian violence and secessionist sentiments. This is no easy task since the top generals of Indonesia’s army, Tentara Nasional Indonesia, have been accused of the domestic equivalent of war crimes because of the actions of the army’s poorly trained and poorly paid enlisted personnel. As one general complained: “What is important to us is the confidence to do our job. We need to know what is allowed and what is not...[W]e do not want to end up like our superiors who were doing their jobs in East Timor and then were accused of human rights violations.”\footnote{Quoted in Seth Mydans, “Under Attack at Home, Indonesia Military Reels,” \textit{New York Times}, February 13, 2000.}

Gradually reducing the army’s political influence at the center, Wahid has for the first time in decades appointed a civilian as defense minister, Professor Juwono Sudarsono, and selected an admiral to head the armed forces. Nevertheless, Professor Juwono has admitted that the civilian government may not be ready for some time to replace the broad political and administrative functions performed by the army throughout the country.\footnote{Ibid.} Powerful regional army commands still exercise local control even though navy and air force officers are replacing their army counterparts in the national government.
The crux of the dilemma is that the army is both a major part of the internal security problem and an indispensable component for its solution. To be credible to local populations, the army must create a new trustworthiness and demonstrate an ability to operate even-handedly in religious conflicts between Christians and Muslims in such places as the Moluccas. It must also alter its inordinate reliance on suppression tactics in dealing with Muslim secessionists in Aceh. There is some evidence that adjustments are being made. The new army command in West Aceh has offered a full pardon to any rebels turning in their arms, while the province’s highest Islamic authority has called for a cease-fire. However, any settlement in Aceh requires Jakarta’s punishment of soldiers guilty of human rights abuses during decades of military operations and a new division of the provinces’ natural resources, which would allocate more to local development.

That Aceh remains a part of Indonesia is crucial not only to the integrity of the vast archipelago country but also to its ASEAN neighbors. An independent radical Islamic Aceh, possibly with ties to Iran or Afghanistan, would add a new concern about freedom of navigation in the Malacca Strait. It could also worry Malaysia, Thailand, and the Philippines—states with significant Muslim populations that might be emboldened to demand more strict Koranic laws or encourage their own secessionist movements.

Violence in the Moluccan islands has led to thousands of deaths and the displacement of almost 200,000 people in continuing rounds of communal attacks—Muslims against Christians—that the army has been unable to contain. As in Timor, the military has deep political and economic roots in the Moluccas making it even more difficult for the army to exercise the role of mediator. Moreover, should Jakarta implement plans for regional autonomy in the Moluccas, local parliaments would have the authority to cancel lucrative contracts for military-backed companies engaged in fisheries, forestry, and min-

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Nevertheless, with the help of the navy, more Indonesian forces with no commitments to either the local Christians or Muslims have been inserted into the fray with some dampening effect. The navy itself has created a cordon of 12 ships around the islands to interdict weapons smuggling, and the army now has 17 battalions (13,600 soldiers) deployed among the islands. Yet, there is fear that the violence will spread. There have been copycat clashes on the resort island of Lombok and attacks on churches in Jogjakarta as well as communal demonstrations in Jakarta.

Any path out of this nightmare will have to overcome President Suharto’s legacy of a brutal, corrupt, and poorly trained military that has operated for decades in powerful, local fiefs. As long as these forces defend their power and economic interests rather than the policies of the new government, the army will remain more of a problem than a solution.

With respect to external security, what little remains in the Indonesian budget for defense must be devoted almost entirely to containing the domestic violence described above. Although the navy and air force may be raising their political profiles within the armed services, there is little funding available to modernize their equipment.

Over the twenty years prior to the current crisis, Indonesia gradually created a navy and air force capable of monitoring its far flung archipelago. Small numbers of submarines, light frigates, and fast attack craft equipped with Harpoon anti-ship missiles and torpedoes are the basis for a strategy designed to control the country’s vital straits and counter smuggling, piracy, and illegal fishing. The navy’s small size, however, has meant that these missions have been difficult to achieve. The air force is built around U.S.-manufactured platforms, including C-130s for airlift and surveillance; OV-10F Broncos for ground attack; and F-5s, A-4s, and F-16A/Bs for aerial combat. Additionally, two reconfigured Boeing 737s provide maritime surveillance. Between 1996 and 1998, Indonesia inaugurated some major air and naval exercises around its Natuna Islands. These exercises were probably motivated by China’s 1995-seizure of Mischief Reef adjacent to the Philippines. China’s archipelagic maritime claim based on the Paracel Islands particu-

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larly worries Indonesia. If that claim is extended to the Spratlys, then China can contend that its EEZ covers the gas-rich seabed north of the Natunas. The Indonesian exercises were undoubtedly designed to demonstrate that Jakarta has the capability to defend its claims.

Air and maritime buildups encountered a severe setback, however, with Indonesia’s 1997-98 economic crisis. Jakarta has suspended the planned purchase from Russia of 12 Sukhoi-30 fighters and 8 Mi-17 multipurpose helicopters. Plans to acquire more submarines from Germany have also been abandoned. Additionally, the armed forces have cut training and operations expenses. Cooperative exercises with neighboring countries are scheduled to continue but at a reduced tempo. Nevertheless, new plans for a naval buildup have been announced. The Marine Corps—generally seen as apolitical—will be expanded by 10,000; and 14 new ships will be added to the fleet over the next 5 years. This naval growth seems designed to move troops, tanks, and Armored Personnel Carriers (APCs) to those islands in the archipelago where domestic order is threatened. Where the resources will be found to pay for this modernization is unknown if the economy remains essentially stagnant.17

Thailand

The evolution of Thailand’s armed forces from counterinsurgency to conventional warfare began in the 1980s. The shift reflected the demise of the Thai Communist Party, Vietnam’s withdrawal from Cambodia, and increased concern over maritime security with the discovery of oil and gas deposits in the Gulf of Thailand and Andaman Sea. Additionally, Thailand had to develop a capacity to monitor its 200-mile EEZ attendant upon the 1982 Law of the Sea. Thailand also has long-standing fishery conflicts with Vietnam, Malaysia, and Burma.

Beyond creating a two-ocean capability, Bangkok plans to build a naval base in Krabi Province to protect its Southern Seaboard Development project. In the 1980s, the navy sought to expand its surface and anti-submarine warfare (ASW) operations through the acquisition of three ASW corvettes and six Chinese Jianghu frigates. (Thailand’s navy is

the only one in Southeast Asia to buy Chinese weapons.) The Thai navy is also developing an aviation branch centered on the aircraft carrier it acquired from Spain in 1997. While the carrier is equipped with American Seahawk helicopters and Spanish AV-8 Harrier jump jets, the financial crisis has kept the ship moored at Sattahip without operating funds. Moreover, most of the surface fleet is unable to exercise with or protect the new carrier because the limited technology of the former is not compatible with the latter.

Indeed, defense budget cutbacks following Thailand’s July 1997 economic crisis led to the suspension of all arms purchases. Among the procurement plans that have been indefinitely shelved are the purchase of 295 APCs, 8 additional F-18s, an airborne warning and control system (AWACS) plane, 100,000 new infantry rifles, a satellite to monitor the country’s borders, 2 submarines, light tanks, and long-range artillery. As Thailand recovers from its economic malaise, it will have to downsize armed forces personnel in order to afford maintenance for its new equipment. The army will have to absorb the majority of the cuts since the navy and air force are the technology-intensive services. When this happens, a greater emphasis on sea and air space protection will dominate Thai security planning. Accordingly, there may be a greater proclivity to resolve land-based problems with neighbors. Procurement priorities include a new C3I system; improved ground-based early warning systems especially for border areas with Cambodia and Burma where drug-running, illegal immigration, and skirmishes with neighboring forces continue; and a life extension program for the almost 100 Bell UH-1H tactical helicopters supporting the army.18

As the Thai economy recovers, the first new air force acquisitions may be up to 20 used F-16A/B fighters from the United States. Estimated to cost about $100 million, Bangkok has asked Washington to allow the purchase under the U.S. Foreign Military Sales (FMS) program, which provides generous sales prices and payment terms well below the commercial market value. Similarly, the Thai navy is working to make its eight AV-8 Harriers operative for its new aircraft carrier by acquiring new engines. No new weapons are being considered for either service, however.19

Unlike Indonesia, Thai forces have little concern about internal turmoil. Rather, its problems focus on border conflicts, to an extent with Cambodia and especially with Burma.

18 Interview with General Surayud Chulanent, Commander-in-Chief, Royal Thai Army in Jane’s Defence Weekly, November 1, 1999, p. 32.
Burmese and ethnic minority opposition groups from Burma are camped along both sides of the border. This situation has led to clashes and cross-border shelling. With Malaysia, on the other hand, despite a Muslim irredentist movement in southern Thailand, the border has generally been calm. Bilateral border committees at the ministerial and regional levels have solved local disputes amicably.20

Thailand’s major security problem is its relationship with Burma. Over one million Burmese migrants have come to Thailand with less than 250,000 officially registered. Most seek employment in border factories and farms; and some are with opposition groups seeking refuge and the opportunity to regroup and return to fight against the Burmese authorities.21 In October 1999, Thai authorities took a soft approach to Burmese student dissidents who seized their own country’s embassy in Bangkok, permitting the dissidents to leave peacefully for the border. However, the following January, members of this same group occupied a Thai border hospital in hopes of obtaining medical aid for their movement. Thai Special Forces killed all of them in freeing the hospital; and deputy foreign minister Sukhumbhand Paribatra hinted that Thailand could become much less receptive to Burmese refugees in the future. These events have been followed by the movement of additional Thai ground forces to the lengthy Burma border—most of which has yet to be demarcated.22

As Burma successfully continues to crack down on insurgents along the Thai border, the buffer between the Burmese and Thai armies shrinks. The Thai Ninth Army Division’s unauthorized shelling of Burmese territory in January 2000 killed many Karen civilians. The shelling may have been a warning to the Burmese military as it got closer to Thailand that the Ninth Army Division would use force to protect its logging and commercial interests regardless of how such actions affect overall Thai relations with Burma.23

21 A detailed assessment of the various Burmese groups along the Thailand-Burma border and the difficulties they encounter with the armies of both countries is found in the Fall 1999 issue of Burma Debate.
In external affairs, Thai armed forces are looking to play a larger role in United Nations peacekeeping. This goal fits Bangkok’s overall foreign policy, which supports UN security activities. It also demonstrates that smaller powers can play a significant role in restoring regional order. Plans exist to upgrade some of its British-purchased Scorpion light tanks to form part of a new Rapid Deployment Force.\(^\text{24}\) Thai forces have been part of the International Force for East Timor (INTERFET); and its troops remain there under the new UN peacekeeping mandate. When its Short Takeoff and Landing (STOL) aircraft carrier becomes operative, Thailand will possess the only local ability to concentrate such air power in the South China Sea. However, since it is not among the Spratly claimants, Thailand’s naval and air power does not enter into the balance of forces equation with respect to the future ownership of those islands.

**Malaysia**

Kuala Lumpur has managed successfully to negotiate overlapping EEZs with Thailand and Vietnam, while agreeing with Indonesia and Singapore to submit territorial disputes over adjacent small islands to the World Court in The Hague. Therefore, Malaysian officials insist that the country’s armaments plans are neither targeted against neighbors nor directed against any particular adversary.

Since the mid-1990s the Malaysian armed forces have focused on the creation of a Rapid Deployment Force (RDF) able to move between the peninsular and insular portions of the country and to engage in joint operations among the three services.\(^\text{25}\) Bilateral joint exercises with Thai, Indonesian, and Singaporean services also took place on a regular basis up to the economic crisis.

By the latter part of the 1990s, Malaysia had committed to the creation of a power projection force, including a combination of Hawk-2000, F-18, and MiG-29 multi-role fighters for deep interdiction/maritime strike; maritime patrol aircraft; long-range air transport; new generation frigates; airspace surveillance radars; and a nationwide C3I system. Armed forces leaders are careful to insist that these new capabilities threaten no one, but rather “should be seen as Malaysia’s contribution toward maintaining peace and stability

\(^{24}\) *Asian Defence and Diplomacy*, January 2000, p. 6.

\(^{25}\) Interview with General Dato' Che MD Nour Mat Arshad in *Asian Defence Journal*, March 1995, p. 10.
in the Southeast Asian region.\textsuperscript{26} The combination of modern air, transport, and military intelligence capabilities makes the Malaysian forces one of the best-balanced services in Southeast Asia. To enhance self-sufficiency, Malaysia also requires technology transfer to accompany all new weapons purchases, with the goal of engaging in licensed manufacturing in the early part of this century.

Kuala Lumpur’s Spratly claims and EEZ protection are the responsibility of new missile-equipped corvettes and frigates, a potent combination given the Malaysian navy’s proximity to these claims. The navy would like to acquire submarines to complete its plans for operating in all environments.\textsuperscript{27}

Although Kuala Lumpur completed much of its defense modernization before the financial crisis hit in autumn of 1997, in December the government cut the defense budget by $83 million (10 percent) and warned that another 8 percent cut in 1998 was probable. In fact, 1999 armed forces budgets were cut by 30 to 50 percent. Malaysia has shelved plans to acquire offshore patrol vessels, helicopters, a low-level air defense system, and new submarines.\textsuperscript{28} Despite the economic hardships, however, Malaysia continues with plans to build offshore patrol boats domestically at a private dockyard near the new Lumut Naval Base. The Penang Shipping and Construction (PSC) Company’s Naval Dockyard hopes to hire at least one thousand technical and engineering personnel over the next decade to build new patrol craft for delivery and small locally produced submarines beginning in 2000.\textsuperscript{29}

With the privatization of much of Malaysia’s defense industry, the Ministry of Defense is looking for a niche market for its products. These products include aircraft maintenance, for which a contract exists with the U.S. Air Force to service its C-130s, armored vehicles, and offshore patrol vessels. The emphasis on maritime surface patrol grows from Malaysia’s South China Sea claims and concerns over piracy in the Strait of Malacca.\textsuperscript{30}


As Malaysia recovers from its 1997-1998 economic downturn, a number of its previous defense purchase plans are being restored in a five-year defense program that goes out to 2005. Anticipating overall economic growth of 6 percent in 2000, the armed forces have their sights on 200 new armored vehicles, transport aircraft, light observation helicopters, and attack aircraft. With the F-18 and MiG-29 already in its inventory, the Malaysian air force is currently looking at Russia’s Su-30, which has a longer range than the other two aircraft. Should Malaysia choose Sukhoi, however, its air force would have to contend with three completely separate logistics trains—a maintenance nightmare. Big ticket purchases such as combat aircraft, two British frigates, and four Italian missile corvettes currently make Malaysia the largest arms importer in Asia.\textsuperscript{31} While only Singapore has the technological capacity to absorb state-of-the-art military technology, Malaysia actually imports more military equipment, partly in hopes of improving its technological capacity. Moreover, unlike most other Asian armed services, Malaysia insists on technology offsets designed to help the country establish its own aerospace and ship-building capabilities. As the chief of the Malaysian air force put it, although these new systems [F-18s and MiG-29s] are not sufficient in number to fight a major war, in peacetime they comprise the basis for providing pilots and technicians with modern military technology. This technology should prepare the country to meet external security challenges such as contention over the Spratly Islands and ensure that Malaysia remains equal or superior to its neighbors.\textsuperscript{32}

Malaysia’s most troubling security concern is the prospect of Indonesia’s possible disintegration, particularly if Aceh breaks away and forms an independent radical Muslim state bordering the Strait of Malacca. If Aceh wins independence, Malaysian Prime Minister Mahathir Mohamad would have reason to be concerned about the demonstration effect on Malaysia’s opposition Pan-Malaysian Islamic Party, which increased its parliamentary strength in the last elections. Indeed, Mahathir’s expressed interest in an ASEAN security force in East Timor could be a first step toward promoting ASEAN collaboration to oppose separatists who are obtaining assistance from sympathizers in neighboring states. If so, this


\textsuperscript{32} \textit{Asian Airlines and Aerospace} (Kuala Lumpur), vol. 7, no. 12 (December 1999), pp. 20-21, and 25.
would be quite a shift on the part of the Malaysian prime minister who has heretofore resisted external interference in the domestic affairs of ASEAN members unless requested by the political authorities of each state. In fact, Dr. Mahathir has condemned the Aceh separatist movement and warned their leaders not to use Malaysian territory as a base for attacks against Indonesia.33

Singapore

Among the ASEAN countries, the only defense budget not significantly impacted by the economic crisis has been Singapore’s. With a security doctrine that combines collaboration with outsiders (the United States, Great Britain, and Australia) and neighbors (the Five Power Defense Arrangement and the ASEAN Regional Forum) as well as self-reliance, the island city-state seems to have covered all bases. Most recently, Singapore has been strengthening its link to Washington by promising to give the United States access to the new Changi Naval Base, which is scheduled to become operative in 2000. Changi’s size will even permit the U.S. Navy to dock its aircraft carriers. Malaysian Prime Minister Mahathir has informally expressed displeasure with the new agreement, stating that he does not want to see an enhanced American military presence in the region.34 By contrast, Singapore may view a beefed-up U.S. presence as an insurance policy against the economic turmoil spilling over into regional political conflict. In fact, this year Singapore will join the annual Thai-U.S. *Cobra Gold* military exercise, Southeast Asia’s largest regular military maneuver involving some 20,000 personnel.35

Singapore’s arms purchases continue unabated. It is buying 12 new F-16C/Ds, bringing its total to 42 current models of the strike aircraft. The F-16s are equipped with beyond-visual-range precision-guided munitions and advanced global positioning systems. The acquisition will sustain Singapore as the region’s most potent air force. Singapore is also acquiring three submarines from Sweden. Moreover, Singapore may actually see some strategic benefits from the economic crisis insofar as it has slowed the weapons acquisitions of both Indonesia and Malaysia.36

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34 *South China Morning Post* (Hong Kong), February 3, 1998.
Philippines

Philippine defense capabilities have been a perennial joke within ASEAN. Lacking modern air and naval forces, the islands have been rife with smuggling, piracy, and fishery poaching. By the mid-1990s, then President Fidel Ramos gambled that internal insurgencies could be controlled politically so that army manpower could be substantially reduced. The savings would then be reallocated to an ambitious 15-year modernization program that would emphasize maritime patrol ships and aircraft, a national radar surveillance system, and at least one fighter-interceptor squadron.37 The cost of the modernization program is projected to be approximately $8.2 billion.

As an archipelagic country with more coastline than the continental United States, the Philippines is less concerned with any prospect of an attack than with monitoring its adjacent seas for piracy, smuggling, and illegal fishing. The last two are estimated to rob the country of tens of millions of dollars annually. The 15-year modernization plan would remedy much of the inability to control the archipelago’s vast air and sea spaces. By mid-1998, however, reflecting a lack of resources, the military modernization program was postponed for a minimum of two years. Moreover, the peso’s decline against the dollar by late-1999 raised projected modernization costs by an additional $2 billion.38

The Philippines inability to protect its EEZ may not be corrected by the Department of National Defense until far in the future. Foreign Secretary Siazon has acknowledged that neither the navy nor air force can cope with incursions in and around the contested Spratly Islands by China, Vietnam, and Malaysia. Consequently, Manila has returned to the U.S. alliance, which fell into abeyance when the Americans withdrew from the Philippine bases in 1992.

Since 1996, when the Philippine Justice Department ruled that there was no legal framework covering U.S. forces visiting the Philippines, no large-scale joint exercises

have been held. Both President Ramos and his successor Joseph Estrada hoped to remedy this situation through the passage of a Visiting Forces Agreement (VFA). Because the Philippine Senate insisted the VFA was a treaty, a two-thirds ratification vote was required. However, the Senate was also the legislative body in 1991 that refused to renew the comprehensive bases agreement with Washington, leading to the exit of the U.S. Navy and Air Force from Subic Bay and Clark Field. The Senate’s composition in 1999, though somewhat less anti-U.S. forces, remained strongly nationalistic. Concern over being seen as too accommodating to the Americans led many senators to conceal their preference until the Senate actually voted to ratify 18-5 on May 27, 1999.

The great difference between 1991 and 1999 that led to the ratification is China’s presence in the southern Spratlys, adjacent to the Philippines. China’s navy built permanent structures on Mischief Reef in 1995 and significantly upgraded them in 1998. Although Manila protested these developments in ASEAN meetings, the ASEAN Regional Forum (ARF), and even the United Nations, no reduction in China’s presence occurred. Rather, Beijing enhanced its Mischief Reef facilities and established markers on other Spratly features in the vicinity.

As the weakest military force among the ASEAN states, the Philippines could not defend its own Spratly claims against a growing Chinese presence. While ASEAN had backed Manila’s earlier protest (1995) against unilateral Chinese actions, the Association’s members were silent in 1998. This current reticence to criticize China is probably a result of Southeast Asia’s concentration on economic recovery rather than territorial concerns, which are seen as peripheral issues, as well as a demonstration of regional gratitude to Beijing for not exacerbating the economic crisis by devaluing its currency.

With its ASEAN partners apparently in no mood to back the latest Philippine confrontations with China, a reinvigoration of ties with the U.S. military appeared timely. Although the United States has repeatedly declared its neutrality with respect to the Spratlys’ claimants, and although the VFA only covers military exercises, President Estrada stated that a U.S. presence could balance China’s. Further, some Philippine officials have made the argument that, despite Washington’s insistence that the Spratlys are not regarded as
Philippine territory under the Mutual Defense Treaty (MDT), if Philippine ships or forces are attacked, then the MDT can be invoked (since Philippine forces and installations fall under the MDT).

With the passage of the VFA, the United States is considering the transfer of excess defense equipment to the under-equipped Philippine armed forces. Coast Guard cutters, Vietnam War vintage UH-I helicopters, and A-4 fighters are among the possibilities. Nevertheless, while Philippine public opinion generally supports the VFA, strong sentiment against it has been displayed by a combination of nationalists, the Philippine communist party, and the Catholic church, whose Philippine leader, Cardinal Jaime Sin, claimed the arrangement will encourage a "culture of war."39

The 2000 Balikatan Philippine-U.S. joint exercise ran one month from late January. Involving 5,000 personnel evenly divided between both countries, the focus of the exercise was on cross-training and included special forces and amphibious operations.40 Though the Philippines insisted the exercises were not designed with any third country in mind, the maneuvers included island landings against simulated opposition.

The Philippines also conducts exercises annually with Malaysia on their common sea border where piracy, smuggling, and illegal arms shipments from East Malaysia to the Moro rebels in the Sulu archipelago are rampant. Despite their differences over the Spratlys, Kuala Lumpur and Manila have coordinated actions against criminal activity affecting both states since 1995.41

Japan

In contrast to most of the Southeast Asian states in this study, Japan’s forces have minimal responsibilities for internal security. While they are called upon to help local populations hit by natural disasters such as typhoons and earthquakes, in Japan there are

no domestic insurgencies or ethnic conflicts that require military intervention. Within an essentially homogeneous, law-abiding society, Japan’s Self-Defense Forces (JSDF) are concerned almost entirely with external defense.

With the world’s second largest defense budget ($48.4 billion for 2000), Japan’s low profile forces nonetheless present an impressive array of weapons, including 1,160 main battle tanks, 15 submarines, 62 principal surface combatants, 100 P-3C anti-submarine aircraft, 170 F-15, and 110 F-4 combat aircraft. Despite the generally up-to-date hardware, however, these forces have no combat experience and serve primarily as an adjunct to American deployments monitoring the sea and airspaces of the North Pacific. Tokyo’s most recent defense policy is designed to promote a more active role in regional and global security—the latter through increased participation in U.N. peacekeeping and the former through expanded cooperation with the United States as stated in the new U.S.-Japan Defense Guidelines, which was ratified by the Diet in May 1999.

New defense plans will meet rising personnel and maintenance costs, intelligence expansion, and contingency measures—the last prompted by the March 1999 infiltration of North Korean “spy boats,” which successfully eluded Maritime Self-Defense Force (MSDF) pursuit. The new budget provides for four fast missile boats to be deployed along the Sea of Japan coast. While the capability to protect territorial waters may increase, there are, nevertheless, political obstacles to dealing with these threats. Presently, there is no legislation authorizing response to any sort of attack against Japan. During the March 1999 incident, the MSDF was authorized to respond not through national security rules but rather fishery protection laws. The government plans to address this legislative gap while the Diet has begun an extensive review of Japan’s constitution to see if the U.S.-imposed Article IX prohibiting the use of force requires modification.

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To further enhance interoperability with U.S. forces in line with the new Defense Guidelines, the JSDF plans to build a 13,000 ton replenishment ship to better support U.S. naval operations. Appropriations for mid-air refueling tanker planes, additional AWACS aircraft, an upgrade of Aegis destroyers, and two new destroyers will all boost the armed forces ability to remain longer at sea and in the air. The Japanese air force is sending air tanker personnel to the United States for training this year and plans to deploy these aircraft sometime over the next five years.44

Perhaps the most substantial change in Japan’s defense plans for the new decade is its renewed concern over weapons of mass destruction and ballistic missile defense (BMD). Precipitated by the unexpected North Korean missile launch over Japan in August 1998, Japan agreed to an expanded joint research project with the United States on BMD, doubling its financial contribution to 2 billion yen ($13.7 million) for 1999-2000 for work on the U.S. theater-wide defense missile.45 Even with an accelerated research program, however, actual deployment of any system may be a decade away.

The updated U.S.-Japan Defense Guidelines provide a rationale for more Japanese power projection capability in “areas surrounding Japan.” The two countries are pledged to cooperate in (1) relief activities and measures to deal with refugees, (2) search and rescue, (3) noncombatant evacuation operations, (4) enforcement of UN-imposed economic sanctions, and (5) logistical assistance for U.S. forces in international waters that are separate from areas where actual combat operations are being conducted.46 The specific contingencies to which the Guidelines could apply have been left purposely vague. On the one hand, this lack of specificity deflects objections from China and South Korea; but at the same time, the possibility of enhanced Japan-U.S. defense cooperation may serve as a kind of deterrent to those contemplating the use of force in East Asia to alter the status quo. Moreover, Japanese commentators have underlined the fact that the Guide-
lines do not provide any new conditions for the JSDF to go into combat. One prominent Japanese specialist speculated that even if a Taiwan contingency occurred, the United States would not need help from Japan since available American naval and air power would be sufficient on its own to control the Taiwan strait.

Finally, the Guidelines require that the United States and Japan develop comprehensive bilateral defense planning arrangements with agreed procedures. This mandate will involve other Japanese agencies in addition to the SDF and provides for ongoing contingency planning unlike the previous Guidelines, which were limited to joint studies as opposed to real planning.

**Multilateral Regional Defense**

The major alternative to independent and bilateral (alliance) defense is multilateral defense cooperation. Aside from the Five Power Defense Arrangement in Southeast Asia, multilateral defense in East Asia is rare. The United States emphasizes its alliances as the basis for regional stability, although in recent years, it has participated in multilateral activity. The Commander in Chief, U.S. Pacific Command (U.S. CINCPAC) Admiral Dennis Blair has stated that the American role in a coalition would be “intelligence support, information technology, command, control and certain forms of logistics. Other countries have better capabilities in other parts.” Indeed, these elements pretty well describe what the United States provided the Australian-led INTERFET forces for East Timor in 1999.

Admiral Blair sees cooperative security as a way of expanding Washington’s bilateral cooperation to “non-bilateral treaty partners” through humanitarian assistance, disaster relief, noncombatant evacuation from dangerous areas, and UN peace enforcement and peacekeeping (Chapter Six and Seven of the UN Charter). These activities “will cre-

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48 Comments by Professor Masashi Nishihara of the Japan Defense Forces Academy at the Nanzan University 50th anniversary conference, Nagoya, Japan, October 16, 1999.
49 Interview with Admiral Dennis Blair, Asian Defence and Diplomacy, November 1999, p. 55.
ate a foundation for a [regional] security system, and we can then build on that to develop a habit of cooperation.\textsuperscript{50}

This is quite a change in U.S. defense orientation from the early 1990s when Washington rejected the whole idea of multilateral security as a threat to its Asian treaty system. Today, multilateral security is seen as complementary to the bilateral alliances and better suited for the kinds of actions cited by Admiral Blair. Indeed, he has also urged China to participate in regional security cooperation as well as Japan so that the latter “plays a more normal [military] role.”\textsuperscript{51}

While there is no indication that ASEAN states are prepared to transform the Association into a military alliance, the 1999 Timor crisis provided an opportunity for some ASEAN armed forces to participate in regional peacekeeping. The Philippines and Thailand became involved early on when Indonesia requested that ASEAN forces take a prominent role. Jakarta’s request—first made by interim President B.J. Habibie and reiterated by President Wahid—was itself a watershed for ASEAN security norms. Contrary to the Association’s standard insistence that internal security is a domestic matter, the Timor debacle led to an Indonesian request for ASEAN states to help contain and suppress the violence in East Timor after its independence referendum.

Even Malaysian Prime Minister Mahathir has suggested that cooperative peacekeeping could be expanded beyond the traditional separation of combatants to “keeping seacanes and air space free of piracy and hijackings, … cross-border fire fighting [with Indonesia in mind], and … rescuing the innocent hostages of hijackings and piracy.”\textsuperscript{52} Thailand’s prestigious newspaper, \textit{The Nation}, has echoed the Malaysian prime minister’s call for a more active Southeast Asian security structure, deploring ASEAN’s inability to help resolve the East Timor crisis and its mixed response to appeals for peacekeepers to be sent there. Only the Philippines and Thailand (alongside South Korea) committed substantial numbers, although Malaysia did provide a small contingent.\textsuperscript{53} And, now the Phil-

\begin{flushright}
\textit{Washington now sees multilateral security as complementary to the bilateral alliances and better suited for the region’s needs.}
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\textsuperscript{50} Interview with Admiral Dennis Blair, \textit{Jane’s Defence Weekly}, December 22, 1999, p. 32.
\textsuperscript{51} Ibid.
\textsuperscript{52} Mahathir quoted in \textit{Asian Airlines and Aerospace}, January 2000, pp. 15-16.
The Philippines has been named to take over the leadership from Australia in the new UN peacekeeping operation in East Timor, United Nations Transnational Administration in East Timor (UNTAET). The Australians will remain the largest force in the country; and their commander will serve as deputy to the Philippine general. The Malaysian Defense Minister Najib Tun Razak asked that the commander of the UN’s East Timor force be “rotated among ASEAN members and [that] the force structure there should largely comprise ASEAN units.” Mr. Najib believes that this arrangement “would help bolster regional military cooperation.”

In the vein of cooperative peacekeeping, Japan floated an interesting trial balloon last November. Responding to a precipitous increase in acts of piracy in Indonesian waters along the Strait of Malacca which doubled to 113 incidents in 1999 compared to 60 in 1998, Tokyo proposed the possibility of dispatching coast guard (Maritime Safety Agency) vessels to Southeast Asia. They would join Malaysian, Indonesian, and Singaporean patrols in the Strait. Since Japan’s coast guard is a civilian agency, completely separate from the Maritime Self Defense Force, so far the offer has not raised any objections in the region. To the contrary, Malaysia has welcomed the idea; and J.N. Mak of Kuala Lumpur’s Maritime Institute has remarked that fighting piracy may be a “good way for [Japan] to get its security role in the region accepted.” For Indonesia, joint policing of the waters north of its archipelago might deter gun runners supporting separatists in Aceh. Then Prime Minister Keizo Obuchi broached the idea at ASEAN’s November 1999 Manila summit and then invited Asian leaders to discuss his plan in Tokyo in Spring 2000. Japan has also invited China to consider joining these antipiracy efforts.

While some of the ASEAN states may now consider greater regional peacekeeping cooperation in light of Timor developments, their armed forces deficiencies leave them considerably short of an independent intervention capacity. Australian and American transport brought ASEAN forces into Dili and are keeping them supplied with the assistance of Canada and New Zealand. The only ASEAN state to provide naval logistics for East Timor is Singapore.

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In sum, the United States has been in the forefront of those encouraging both ASEAN and Japan to develop a multilateral approach to regional defense as part of a U.S. policy to devolve greater responsibility onto its regional allies. So far, however, this initiative has met with little success. The ASEAN states lack the political will, military equipment, and interoperability experience to perform in a multilateral setting. While Japan’s neighbors may now have accepted a larger role for the JSDF in international peacekeeping, Tokyo’s own political constraints still preclude its forces’ involvement in situations where casualties might occur. Hence, there are still no Japanese forces in East Timor. Until Japan and its neighbors agree that it has become a “normal” nation and until ASEAN moves in the direction of cooperative defense, there seems to be little alternative in the sphere of regional security to the maintenance of U.S. forward deployments in the western Pacific.
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