Time for Fresh Air:
Young Leaders' Responses to a World in Transition

Issues & Insights
Vol. 13 – No. 15

Geneva, Switzerland
April 2013

Edited By Billy Tea

Pacific Forum CSIS

Based in Honolulu, the Pacific Forum CSIS (www.pacforum.org) operates as the autonomous Asia-Pacific arm of the Center for Strategic and International Studies in Washington, DC. The Forum's programs encompass current and emerging political, security, economic, business, and oceans policy issues through analysis and dialogue undertaken with the region's leaders in the academic, government, and corporate arenas. Founded in 1975, it collaborates with a broad network of research institutes from around the Pacific Rim, drawing on Asian perspectives and disseminating project findings and recommendations to opinion leaders, governments, and members of the public throughout the region.

The Young Leaders Program

The Young Leaders Program invites young professionals and scholars to join Pacific Forum policy dialogues and conferences. The program fosters education in the practical aspects of policy-making, generates an exchange of views between young and seasoned professionals, builds adaptive leadership capacity, promotes interaction among younger professionals from different cultures, and enriches dialogues with generational perspectives for all attendees. Young Leaders must have a strong background in the area covered by the conference they are attending and an endorsement from respected experts in their field. Supplemental programs in conference host cities and mentoring sessions with senior officials and specialists add to the Young Leader experience. The Young Leaders Program is possible with generous funding support by governments and philanthropic foundations, together with a growing number of universities, institutes, and organizations also helping to sponsor individual participants. For more information, see the Pacific Forum CSIS website, www.pacforum.org, or contact Nicole Forrester, Director – Young Leaders Program, at nicole@pacforum.org

The International Relations and Security Network (ISN)

ISN is one of the world's leading open access information services for international relations (IR) and security professionals. Established in 1994, ISN's mission is to facilitate security-related dialogue and cooperation within a high-quality network of international relations organizations, professionals and experts, and to provide open-source international relations and security-related tools and materials in accessible ways. Pacific Forum and ISN have partnered to promote internet-based information and communication, and to give a greater voice to the next generation of international policy professionals. ISN has generously assisted with financial support and coordination for this conference.

Table of Contents

Acknowledgements

We sincerely thank the International Relations and Security Network (ISN) and the Worldwide Support for Development (WSD) for their partnership in developing, and in providing generous financial support to, this Young Leaders Program event in Geneva and Zurich. This exceptional experience was invaluable for the Young Leaders.

We congratulate the ISN team for providing excellent assistance in preparing and delivering the event. The access that ISN afforded to our Young Leaders, through the meetings arranged with their Center for Strategic Studies colleagues at the Swiss Federal Institute for Technology and with the National Defense University's Near East South Asia Center for Strategic Studies, in addition to the opportunities provided by attendance at the International Security Forum, was unprecedented in our program. We would like to specially thank Peter Faber for his support, encouragement and leadership during this Young Leaders' program, and look forward to a continued working relationship with Mr. Faber and his team at ISN.

We also express our ongoing and deep appreciation for the generous support from Dr. Haruhisa Handa and WSD. The WSD-Handa Fellows and Young Leaders truly appreciated the opportunity to gain insight across the spectrum of international security challenges. We are honored to continue your mission to support and create peace.

Editor's Introduction

By Billy Tea

Photo Courtesy of Gintare Janulaityte - *Young Leaders walking through the Parc Château Banquet, Geneva*

Missing the good old days? When there were only two large powers having a global ideological war? Recent events in Egypt, Libya, and Syria, among others, make clear that it has become harder to predict the driving force of international politics and security. There are many debates about the multipolar post-Cold War global order of rising BRICSs, comparative decline of the "West," and a festering and erratic Middle East, with the events of the Arab Spring forcing us to make new evaluations.

The 10th International Security Forum, *Facing a World of Transitions,* specifically addressed the multiple transitions in the international security environment. Whether political or military in nature – such as nuclear threats and disarmament or the question of geopolitical shifts, or issues regarding human security, such as peace-building or dignity – they pose unprecedented challenges to states. While it is impossible to do justice to the large range of issues which were covered during these three days, a few overarching themes arise.

First, the global system is more unpredictable than ever. Multifaceted transitions in world politics were generated by the end of the Cold War, including a revolution in

information and communication technologies, causing a change in global dynamics. As such, it is difficult to predict how long the global shift of power from West to East will take, how complete it will be, and what its consequences will be.

Second, the current security environment can be described as exhibiting both continuity and change. The former refers to more traditional security concerns that include small arms, mines, and nuclear proliferation. In addition, there are mounting threats from climate change, demographic trends, and food and water security. Change is evident in non-traditional security threats such as poverty, unemployment, education, as well as the expanding implications of space and cybersecurity. The need to effectively manage increasing volumes of information and consider unintended consequences of technology advances are also stressed in this framework.

Third, this multipolar world is more connected than it has been in decades, with many actors with their own interests, which makes it difficult for effective policy-making. There is suspicion between many states; the international system remains incoherent in many sectors; significant legal challenges remain unsolved; and new stakeholders have not yet been properly incorporated in consultation processes or decision-making.

Fellows from more than 13 countries joined this conference to share views on these issues, mingling with representatives from governments, the private and public sector, and nongovernmental organizations. Beyond the usual conference setting, our Young Leaders interacted with experts on current issues, making this program a success both at the professional and personal level. One of the main goals of the Young Leaders program is to put veteran experts and young professionals together in order for them to exchange ideas and to learn from one another. We strongly believe that these connections will show great results as these young people climb the ladder of politics.

Our Geneva conference was one of our largest ever Young Leaders groups, with about 30 people attending. As usual, we asked them to complete a group project inspired by the conference. They explored three sources of insecurity that they believed would be relevant in the next 5-10 years. Rather than have them analyze current security issues, we asked our fellows to provide policy recommendations on how to solve these conflicts. We pushed them to think outside the box on how to manage conflict, as it is a valuable exercise both professionally and personally to encounter real-time constraints, such as lack of political will or budget. To get more focus, we asked them to hone in on certain regions or countries to still prove that their recommendations were achievable.

We received papers that touched on issues ranging from poor governance to the effects of a melting Arctic Circle. However, some common ideas emerged from the policy recommendations. In an inter-connected world, it is essential for people and countries to cooperate on common sources of insecurity. This can only occur when there is an environment that promotes cooperation. It is then necessary to find common interests and build or use an existing multilateral platform that promotes parties' interaction, which will facilitate communication.

We believe that it is natural for the next generation of leaders to have space to express their thoughts and ideas in a world in transition. Each of these young people is striving to come up with ways to manage and, if possible, help to resolve these conflicts. Perhaps it is time to hear from the generation that will be directly affected by the policies made today.

Young Leaders in Geneva

Photo Courtesy of Gintare Janulaityte

Photo Courtesy of Yuenzhe Ren

Beyond the Conference: Young Leaders exploring Geneva Together

Photo Courtesy of Thom Woodroofe

Photo Courtesy of Elizabeth Petrun

Photo Courtesy of Yuenzhe Ren

Photo Courtesy of Gintare Janulaityte
Young Leaders at the Official ISF Reception- Grand Hotel Kempinski, Geneva

Photo Courtesy of Gintare Janulaityte- *Young Leaders waiting for the train to Zurich*

Geopolitical Implications of an Ice-Free Arctic for the Asia-Pacific

By Ellise Akazawa, Vannarith Chheang, and Eleni Ekmektsioglou

Increasingly, the Arctic Ocean is moving to the forefront of global geopolitics. The impacts of climate change in this region are more visible and measurable than ever before – warmer temperatures, historic lows of sea-ice, and the thinning of sea-ice still present. While these changes present massive challenges for the Arctic biosphere and the viability of many Pacific Island states, the economies of many other states in Asia stand to benefit from historic sea-ice lows – or the possibility of an ice-free Arctic. The economic and resource benefits potentially available in this scenario are manifold – shorter, faster navigation routes and access to previously hidden or difficult-to-procure natural resources. States throughout the Asia-Pacific, and the world, are now jockeying for access to and influence in this critical region.

Melting of the Arctic ice will impact small and large states differently, with many small Pacific Island states suffering disproportionately and many large states standing to reap significant economic benefits. Further complicating the situation is the fact that many large states who are best positioned to slow climate change are the ones who may benefit the most if the Arctic is completely ice-free. Although an ice-free Arctic may occur sooner than anticipated, states large and small must work together to delay this situation. The first section of this paper looks at the geopolitical implications of sea-level rise for small states, with a particular focus on vulnerable, low-lying atolls and islands in the Pacific. We then provide a set of policy recommendations to help strengthen Pacific Island states' bargaining capacity in dialogues with the US and in international forums. The second portion of this paper examines the geopolitical implications of an ice-free Arctic for large states, with a particular focus on Russia and China – two countries that have much to gain should such a scenario occur. We recommend that a code of conduct be established to prevent future conflict.

Background

The overwhelming consensus in the scientific community is that anthropogenic climate change is real.[1] While the effects of global warming are felt worldwide, particular attention is being paid to how it is changing the Arctic. According to the National Snow & Ice Data Center, sea ice typically covers the Arctic region in approximately 14-16 million sq. km in late winter, and 7-9 million sq. km in late summer.[2] Alarmingly, the presence of Arctic sea ice has been steadily decreasing approximately 3 percent per decade. In 2012, sea ice in the Arctic shrank 18 percent, besting the previous record set five years prior.[3]

[1] "Scientific Consensus on Anthropogenic Climate," Science Daily, May 15, 2013.
[2] "All About Sea Ice," National Snow and Ice Data Center.
[3] "Arctic ice shrinks 18 percent against record, sounding climate change alarm bells," *The Guardian* Sept. 19, 2012.

Rising sea levels associated with melting Arctic ice have significant potential to affect coastal areas throughout the world, particularly when coupled with other climate change effects. An estimated 60 percent of the human population lives in the coastal plains, which often contain large farmlands and contribute to global food security.[4]

While environmental advocates have long sounded the alarm about the dangers that a melting Arctic would create, large corporations are increasingly turning their attention to this troubled region, spurred by profit opportunities should climate change accelerate. First, many states are interested in the potentially rich seabed resources that are believed to exist, including well-stocked fisheries, oil and gas deposits, and other mining opportunities. Second, both the Northern Sea Route (NSR) and the Northwest Passage (NWP) already appear to be virtually ice-free for an extended period of time.[5] These navigation opportunities have the potential to expedite shipping times, in some cases cutting traveling time by more than half.

The opening of new shipping routes and sea lanes has had significant economic impacts. After World War II, and especially after the Cold War, economic globalization enabled by ship-borne commerce stimulated global growth and prosperity. Today, shipping remains the most popular and least expensive means of transfer of goods and natural resources. Freedom of navigation is a critical component of global commerce. Sea lane restrictions or denial have the potential to drive conflict.

Currently, the lead organization is the Arctic Council, created in 1991, whose eight member countries include: Canada, Denmark, Finland, Iceland, Norway, Russia, Sweden and the United States. Council membership is extended to those who have national territory in the Arctic. Because of the region's growing importance and the desire of non-Arctic states to have a say, the Council also has authorized 12 "permanent observers," including China, Japan, South Korea, India, and Singapore. The Council has become increasingly influential in recent years.

Geopolitical Implications for Small States

Generally, Pacific Islands contribute little to global greenhouse gas emissions, but are disproportionately threatened by and suffering from their effects. While worst-case projections include the complete submersion of low-lying atolls and the creation of climate refugees, climate change generally and sea-level rise in particular are already negatively impacting these countries. In the Federated States of Micronesia, taro crops were destroyed on one island after seawater rose through the water table and came

[4] Eric Wolanski, Thematic paper-Synthesis of the protective functions of coastal forests and trees against natural hazards, 161 CHAPTER 6 SYNTHESIS, report to FAO, p.1. www.fao.org/forestry/11295-0a43bc3afeca6ca21ea568cefbcc62859.pdf

[5] Malte Humpert, 'The Future of the Northern Sea Route - A "Golden Waterway" or a Niche Trade Route', September, 2011, The Arctic Institute, Center for Circumpolar Security Studies, at http://www.thearcticinstitute.org/2011/09/future-of-northern-sea-route-golden.html

ashore.[6] In the Marshall Islands, warmer ocean temperatures are altering the availability of fish stocks. As a result, countries are actively working together and with regional organizations to develop and execute adaptation strategies to ensure their survival. An ice-free Arctic, coupled with the other effects of global climate change, has potentially disastrous geopolitical consequences for the Pacific region. If sea levels rise, many low-lying coastal areas will be completely submerged, creating a class of internally displaced people or climate refugees. This has the potential to create instability in the region as the United States, Australia, and other key regional actors would be forced to deal with this humanitarian crisis. Thus, it is critical that the world's largest emitters take urgent action to curb and reduce greenhouse gas emissions, and thus mitigate climate change's effects.

The Pacific Islands region, also called Oceania, is divided into three sub-regions: Polynesia, which includes Hawaii and New Zealand; Melanesia, including Vanuatu and Fiji; and Micronesia, which includes Kiribati, Nauru, and the Federated States of Micronesia. Because most land masses are small islands and low-lying atolls, the Micronesian region is particularly vulnerable to sea-level rise and climate change.

What is already being done?

Small Pacific Island states, such as those in Micronesia, are often marginalized in the larger international system, and wield little political influence in the global climate change discussion. To remedy this, the Pacific Islands region has a high density of established, active, and effective institutions, most of which are working on climate change-related initiatives.

Arguably, the Pacific Islands Forum (PIF) is the most powerful regional organization. In 2008, PIF endorsed the "Niue Declaration on Climate Change," the region's first on the subject.[7] The document recognized that "climate change is a long-term international challenge requiring a resolute and concerted international effort" and called on the world's largest greenhouse gas emitters to begin the work of reducing emissions to help those countries facing climate change's consequences. In addition to the PIF, the Alliance of Small Island States (AOSIS) advocates for Pacific Island interests at global forums. The 25-member Secretariat of the Pacific Regional Environmental Protection Program (SPREP) is composed of 21 Pacific Island nations and four developed countries. One of SPREP's four strategic priorities is climate change and SPREP is responsible for leading and coordinating climate change policies and programs. It works to help member states develop climate change adaptation strategies and advocates for climate change considerations in area development.

[6] "Climate Change in the Federated States of Micronesia: Food and Water Security, Climate Risk Management, and Adaptive Strategies," University of Hawaii Sea Grant College Program Center for Island Climate Adaptation and Policy; US Geological Survey; United States Department of Agriculture, Forest Service, 2010.
[7] "Forum Leaders endorse the Niue Declaration on Climate Change," Pacific Islands Forum Secretariat, Aug. 26, 2008.

Additionally, in April 2013, the US signed climate change agreements with both China and Japan that centered on reducing greenhouse gas emissions. These US bilateral agreements with the world's second and third largest economies have the potential to mitigate climate change as China is responsible for 23 percent of global carbon dioxide emissions, the US is responsible for 19 percent, and Japan produces 4 percent.[8] US Secretary of State John Kerry acknowledged in 2013 that China and the United States bore particular responsibility for taking urgent action on the matter.[9] While signed agreements are an important step forward, it is even more urgent that signatories adhere to the agreements and identify more ways to reduce greenhouse gas emissions.

Case Studies: Kiribati and Nauru

This section looks at Kiribati and Nauru as case studies of how small island states in the Pacific are affected by climate change generally and sea-level rise particularly.

Kiribati

Kiribati, located in Micronesia, is frequently cited as a frontline example of the threat Pacific Island states face from climate change. The state is composed of 33 coral atolls; the highest point in the country is a mere 81 meters above sea level. Banaba Island, once a population center, was the site of extensive phosphate mining by the British. Because of ecological damage, the island was rendered uninhabitable and many residents were forced to resettle elsewhere. In a country where land is scarce, all land is needed. Population growth is further exacerbating the land crisis. President Anote Tong has stated that in 30-60 years, Kiribati will be uninhabitable due to inundation and lack of fresh, clean water.[10] He has discussed purchasing land from Fiji's military government to relocate this small island state.[11]

Nauru

At 8 square miles, Nauru is the world's smallest independent republic. Like Kiribati, much of the country's interior land was lost due to phosphate mining in the past century. Thus, Nauru's only usable land is located on its coastline, which is now threatened by rising sea levels.

Barriers to success

The number and magnitude of barriers that must be overcome to mitigate the effect of a melting Arctic are significant. First, it is impossible to point to a single source of Arctic melt. While the world's largest greenhouse gas emitters are known, even significant reductions may not be enough to mitigate melting. Second, the world's largest emitters are also the world's largest economies who face significant domestic pressure for

[8] "Global Greenhouse Gas Emissions Data," United States Environmental Protection Agency.
[9] "US Pledges Climate Deals with China and Japan," *Scientific American,* April 15, 2013.
[10] "Kiribati: A Nation Going Under," *The Global Mail,* April 15, 2013.
[11] "11 Islands That Will Vanish When Sea Levels Rise," *Business Insider,* Oct. 12, 2012.

economic growth. The United States is in the process of recovering from its worst economic slide since the 1929 Depression, and many speculate that China's economy may hit a hard landing, potentially triggering a global economic slowdown. Third, there are many states and corporations that have the potential to realize enormous benefits should the Arctic become ice-free and sea levels rise throughout the world.

Conclusion and Policy Recommendations for Pacific Island States

Pacific Island states have active, established, multilateral organizations that advocate for the region's interests in international forums, but the United States and its key regional allies must fully support both these efforts and their own climate initiatives if they are to make a measurable impact. First, Pacific Island states must be involved in discussions regarding climate change. As key stakeholders, they must have their own opportunities to speak and advocate for themselves.

Second, and in support of the first policy recommendation, the US should establish Track 2 dialogues with Pacific Island states that are most threatened by climate change. Representatives from government, multilateral regional organizations, academia, and business should meet to discuss concerns and potential solutions to these pressing issues. Although the support of key US regional allies including Australia and New Zealand is particularly critical, initial dialogues should be spearheaded by Pacific Islanders with US support. As the world's second-largest greenhouse gas emitter, the US bears particular responsibility for this situation.

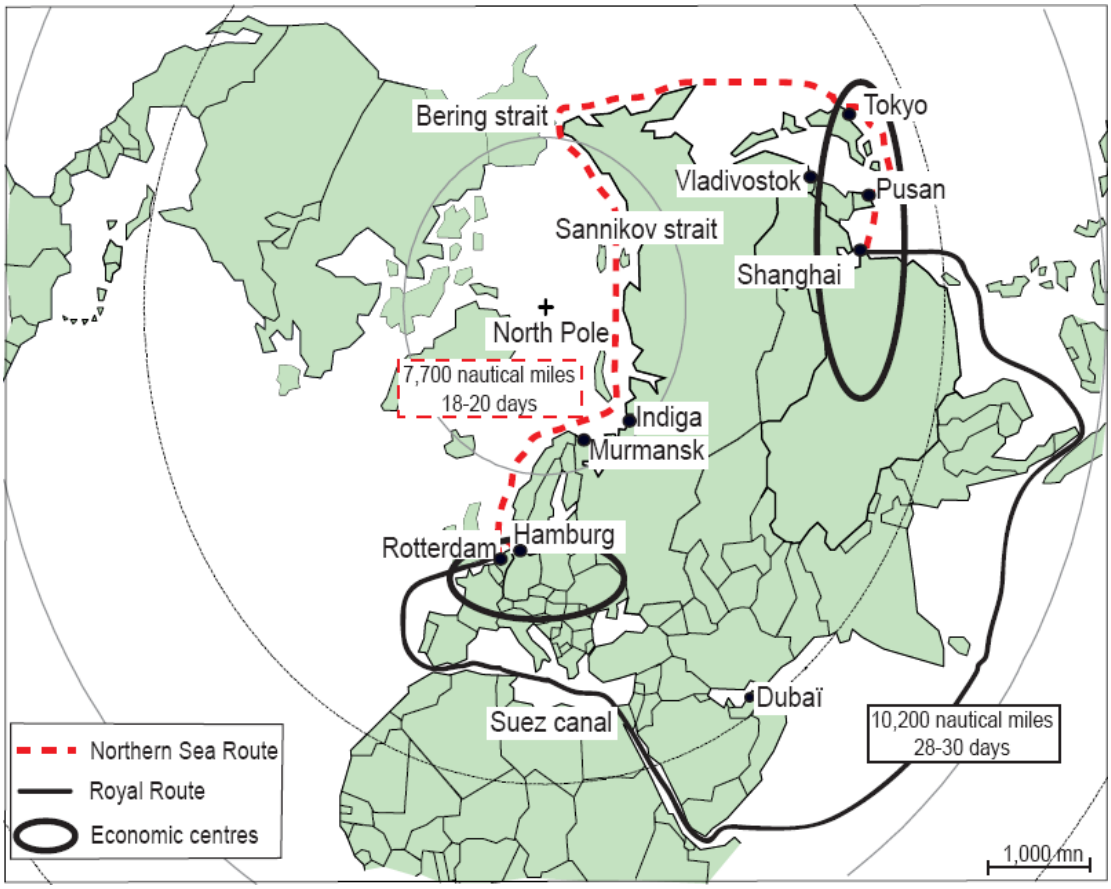
Third, as has been suggested elsewhere, Pacific Island states should push for the creation of their own congressional caucus in the US Congress.[12] Hawaii, American Samoa, Guam, and the Northern Mariana Islands all have congressional delegations that could serve as founding members of this caucus and help to champion causes of the Pacific Island states. Hawaii, as the closest US state to the Pacific Islands, has particular insight and opportunity because of its large and growing population of resettled Pacific islanders.

Lastly, Pacific Islanders should seek observer status in the Arctic Council. The influence of the Council and its ability to directly impact the viability of Pacific Island states, means that Pacific Island interests should be represented.

[12] "Institutionalizing US Engagement in the Pacific," Center for Strategic and International Studies, May 31, 2012.

Geopolitical Implications for Large States

Climate change in the Arctic has the potential to increase shipping and navigation opportunities for Russia, China, Japan, and South Korea, in addition to other states throughout Asia. An ice-free Arctic would translate into a more common and frequent use of the Northern Sea Route (NSR). Shipping companies have the opportunity for the quicker movement of goods, reduced fuel consumption, and significant cost savings.[13] If the NSR becomes a routine intercontinental transit, it has the potential to transform global trade with huge geopolitical consequences. The following case studies on Russia and China highlight the potential challenges and opportunities for large states.



Source: OECD

Case Studies: Russia and China

Russia: Russia is the first state to reap great benefits from an ice-free Arctic, both in terms of economics and trade, as well as geopolitics. Russia today claims complete and uncontested jurisdiction over the NSR. The claim is based upon Article 234 of the UN

[13] For a detailed and thorough presentation of cost savings see Jerome Verny, "Container Shipping on the Northern Sea Route", OECD, International Transport Forum, 2009, at www.rouenbs.fr/images/pdf/PR/JeromeVerny.pdf

Convention of the Law of the Sea according to which for "ice-covered areas, coastal states have the right to adopt and enforce non-discriminatory laws and regulations for the prevention, reduction and control of marine pollution from vessels in ice-covered areas within the limits of the exclusive economic zone, where particularly severe climatic conditions and the presence of ice covering such areas for most of the year create obstructions or exceptional hazards to navigation, and pollution of the marine environment could cause major harm to or irreversible disturbance to the ecological balance. Such laws and regulations shall have due regard to navigation and the protection and preservation of the marine environment based on the best available scientific evidence."

Hence, all vessels wishing to enter the Russian EEZ (Exclusive Economic Zone), within which the NSR lies, should notify the Russian competent authority beforehand. There are also heavy passage rights or fees, known as ice-breaker fees.[14] Nevertheless, there have been many questions regarding Russia's absolute and uncontested authority over the NSR. According to Chinese scholars, China would have the legal basis to question Russia's sovereignty over the NSR.[15] However, no state has yet overtly and formally questioned Russia's sovereignty over the NSR. At the same time, shipping through NSR renders Russian offshore natural resources more attractive options for importers. According to Sovcomflot President Sergey Frank, NSR basically provides the country with "a floating sea bridge" that brings Russia's offshore natural resource reserves closer to international energy markets.[16]

Russia's geopolitical leverage will increase considerably should NSR become operational given that it will be the country controlling the passage and, therefore, all shipping within it. Secondary – but equally important – benefits come from imposing passage rights along with higher oil and natural gas exports that lie on the seabed of the Arctic Ocean thanks to the transportation benefits NSR offers.

China: China does not have an officially articulated Arctic policy. It is important to stress that China is not an Arctic state but rather a circumpolar one, a fact that significantly influences its policy. As a result, China has been trying to keep a low profile regarding its Arctic policy approach, emphasizing international research projects and cooperation agreements.[17] Chinese officials have been trying to cultivate an image of their country as a constructive player in the North Pole while, simultaneously buying time for the acquisition of scientific and technological know-how. This element begets many questions as about China's future role in the Arctic. While the parameters of China's

[14] Ragner, Claes Lykke, 'Den norra sjövägen,' In Hallberg, Torsten (ed), *Barents – ett gränsland I Norden.* Stockholm, Arena Norden, 2008, pp. 114-127. (See: www.norden.se).
[15] David Curtis Wright, 'The Panda Bear readies to meet the Polar Bear: China debates and formulates foreign policy towards Arctic affairs,' Canadian Defense and Foreign Affairs Institute, Calgary, March 2011.
[16] Margaret Blunden, 'Geopolitics and the Northern Sea Route,'International Affairs 88, I (2012), pp.115-129.
[17] cooperation and diplomatic ties strengthening with Norway was stopped after the award of the Nobel Peace Prize to Liu Xaiobo in 2010. See Linda Jacobson, op. cit, p .2.

Arctic policy are not clear, the country's status as a permanent observer of the Arctic Council will shed additional light on its objectives and intentions.

China is particularly interested in the Arctic because of its Strait of Malacca dilemma. China is highly dependent on imported natural resources for its dynamic industries. At the same time, its export-dependent economic model underscores its interest in free navigation, open sea routes, and functional checkpoints. China's sea lines of communication (SLOC) stretch from the Gulf of Aden, through the Strait of Malacca, and finally end in either Hong Kong or Shanghai. This wide swath increases China's vulnerability. The 'String of Pearls' strategy, along with the development of a stronger and long-range People's Liberation Army Navy (PLA-N), are related to this fact. China's high dependency on one trade route, therefore, enhances its vulnerability and creates a greater need for diversification of sea routes that would provide the country with more alternatives and options.[18] In other words, an operational NSR would bring China closer to the long-term energy security that the country has been seeking.

Other benefits related to the opening of the NSR involve high profit for Chinese shipping companies. Currently, Chinese shipping companies have adopted a wait-and-see approach, given the very high insurance costs and underdeveloped infrastructure in the region. Even if the NSR is navigable in the foreseeable future, obstacles may still exist for companies in all regional states.[19]

Furthermore, many believe that the Arctic seabed is home to vast deposits of rich natural resources, including up to 25 percent of the world's undiscovered hydrocarbon resources.[20] This potential has led some Arctic states, like Russia, to attempt to extend their continental shelves to more than 200nm. The United Nations Convention on the Law of the Sea (UNCLOS) stipulates that every state's continental shelf should overlap with its 200nm EEZ. However, in some cases and based on geomorphologic criteria, a state can extend its continental shelf up to 350nm. The competent authority to judge the validity of the legal claim is the UN Commission on Continental Shelf Limits. Extension of a state's continental shelf comes with greater sovereignty rights over the seabed and the exploitation of its resources.

Within this legal context, China has pointed out that Arctic states should act after having taken into consideration the impact of their actions on the international community. It is China's position that the Arctic should not be managed only by littoral states because their decisions could greatly impact the well-being and prosperity of many other states. For example, in 2009, then-Chinese Assistant Minister of Foreign Affairs Hu Zhengyue visited Norway and stated that "when determining the delineation of outer continental shelves, the Arctic states need to not only properly handle relationships amongst themselves but must also consider the relationship between the outer continental

[18] For a detailed analysis of China's Arctic policy, see Linda Jacobson, SIPRI Insights on Peace and Security, March 2010.
[19] See Linda Jacobson and Jingchao Peng, "China's Arctic Aspirations," SIPRI Policy Paper, No. 34, November 2012, p. 7.
[20] See USGS report at *pubs.usgs.gov/fs/2008/3049/fs2008-3049.pdf*

shelf and the international submarine area that is common human heritage, to ensure a balance of coastal countries' interest in the common interests of the international community."[21]

Apart from geopolitical and energy questions, China's stance is also related to environmental concerns given that the country's climate conditions and, hence, food security is highly dependent on the Arctic environmental situation. China has been studying how Arctic ice melt could impact changing weather conditions and thus, food production. As a permanent observer in the Arctic Council, China will try to influence coastal states' policy. China has been heavily investing in marine research projects and assets, such as a new series of icebreakers.[22]

Conclusion and Policy Recommendations for China and Russia

The security of the global commons and free, undisrupted navigation lie at the very heart of our international system and guarantee its successful functioning. At the same time, however, shipping lines through either the Suez or Panama canals will be presented with great challenges due to the rise in traffic that threatens those passages with congestion scenarios putting at stake their operation ability. Should this scenario take place, world trade will be disrupted, competition rules will be distorted and the global trade system will be challenged. The thorough examination of alternative SLOC should be carefully considered and this is where NSR appears to be a very promising solution – which is why many states are turning to the Arctic.

Should NSR become a regular transit passage, there will be a great shift in geopolitical leverage. Given that the itinerary from Rotterdam to Hong Kong is equidistant by either the Northern Sea Route or the Southern one through the Suez Canal, all regions that lie north of Rotterdam and Hong Kong will profit greatly from NSR. For regions south of Hong Kong or Rotterdam, a shorter sea route should be chosen. Europe's most dynamic economies – especially Germany, the leading EU exporter – are in the North and the same goes for Asia.[23] Nowadays, Southern Europe as well as Southeast Asia profit a great deal from the shipping to their ports or transiting their passages, which generates important income for countries such as Italy, Greece, Singapore, Malaysia or Indonesia. Should NSR become a more popular choice for shipping companies, these countries will be presented with great economic and geopolitical challenges. On the other side, the North – Northern Europe, Russia, China, Japan and ROK – will be even more competitive in terms of trade and geopolitically more important than before.

First, the increasing strategic and economic interests and competition for access to the new sea routes in the Arctic necessitate international cooperation in establishing a good order at sea and a code of conduct to effectively govern shipping lanes and sea lines

[21] Joseph Spears, *China Brief, The Jamestown Foundation,*Vol XI, Issue 2, January 2011, , p. 13.
[22] Shiloh Rainwater, "Race to the North: China's Arctic Strategy and its Implications," USNWC Review, Spring 2013, Vol. 66, No. 2, p. 69.
[23] Margaret Blunden, 'Geopolitics and the Northern Sea Route,' *International Affairs 88*, I (2012), pp. 115-129.

of communication. Second, framing the discussion in terms of international cooperation, and not competition, is critical. This is an opportunity for Northeast Asian states to work together to advance regional interests.

Conclusion

Climate change in the Arctic will impact large and small states differently, threatening to create classes of winners and losers. Many of the winners will be large, developed economies in Asia, and many of the losers will be small Pacific Island states whose physical territory, in worst-case scenarios, may disappear. Further complicating the situation is that if climate change is to be halted and Pacific Island states are able to maintain their current territory, they will be reliant on commitments and policy decisions made by the US, China, and other developed economies that have much to gain from an ice-free Arctic. It is imperative that all efforts to mitigate climate change are undertaken; if this does not happen, then states must manage the Arctic wisely.

NATO Post-ISAF:
Implications for Afghanistan, Australia, India, and China

By Sasiwan Chingchit, Amir Ramin, and Thom Woodroofe

In 2014, the NATO-led International Security Assistance Force (ISAF) mission is due to end in Afghanistan. This will have profound implications for Afghanistan. But it will also have major implications for how NATO is viewed outside its allied countries, in particular for its future operations and expansion in Asia and the Pacific.

This paper looks at how NATO is likely to be perceived in different countries, including Afghanistan and key countries outside Europe, often touted as part of any global expansion plans for the alliance. For example, in Australia, it is likely that the end of the ISAF mission will dispel any recent positive public perceptions pushing Australia to increase its ties with NATO. . In Afghanistan, this dynamic, and particularly its legacy among the people, will be even more complex; the situation could also deter future ISAF-like operations. India and China are other significant players in this region and potential contributors to global security. The approaching end of the NATO combat mission prompts these neighboring countries to prepare for the repercussions. As NATO is adapting to new global scenarios and modifying its mission orientation, more engagement with India and China could be key.

Afghanistan

NATO's two-tracked role in Afghanistan over the past decade, as both a military alliance fighting terrorism and insurgency and an entity providing civilian assistance, has given the organization a new role since the fall of the Soviet Union. Immediately after the end of the Cold War, the NATO alliance seemed to lose relevance as the reason for its existence no longer posed a global threat. NATO's involvement in Afghanistan beginning in 2003, however, highlighted the need for an alliance to deal with threats and non-traditional security issues emerging as legacies of the Cold War.

NATO's primary objective in Afghanistan has been to enable Afghan authorities to provide effective security across the country and ensure that the country will never again be a safe haven for terrorists. To this end, since August 2003, the NATO-led, joint ISAF – comprised of both NATO and non-NATO countries – has been conducting security operations, while also training and developing the Afghan National Security Forces (ANSF).

Although public opinion of NATO and its operations in Afghanistan is not very positive, people still see the alliance as their best option for avoiding a vacuum after 2014. At present, its importance as an alliance will be determined in great measure by the legacy it leaves in Afghanistan. This has implications for its support from both European and other international allies. The success of NATO's mission in Afghanistan will be very much dependent on how stable the country is after 2014, when the ISAF mission ends. This depends on the two major transitions Afghanistan is facing in 2014: the

complete security transfer to Afghan forces, and the political transition of power through democratic elections that will end President Karzai's tenure and bring a new administration to office. Both transitions are important, even more so given the sensitivity of these issues and the delicate balance needed to implement them successfully. NATO pledged support to the 350,000 strong ANSF at the Lisbon Summit in 2010; it remains to be seen whether Afghan forces will be able to hold on against a resilient insurgency that has support across the border in Pakistan. With regard to elections, NATO has not been directly involved in their administration, aside from helping ensure security for them. Both transitions are linked and it is important for them to be coordinated with equal attention given to each.

Australia

For almost a decade up until late 2011, Australia's political and military leaders proudly boasted that their country was the largest non-NATO contributor of troops to the ISAF in Afghanistan. Yet, by the end of 2013, the Asia-Pacific regional power will instead become one of the first ISAF members to finish full-scale withdrawals of troops from Afghanistan, a full year ahead of the mission's untimely end. Australia's withdrawal of troops from Afghanistan will not just signal an end to its serious engagement with the ISAF mission; it will likely mark the end of the country's recent love affair with the NATO alliance and its own calls for global expansion.

While Australia has been involved in different NATO missions – from the deployment of peacekeepers to Bosnia and Herzegovina, to the involvement of the Navy in fighting piracy off the coast of Somalia – it was the ISAF mission that came to define the country's modern military engagement with the Transatlantic powers, the United States and the United Kingdom. The deployment of up to 1,550 personnel in Afghanistan was not just the largest non-NATO contribution to a NATO-led mission, but the 10th in size overall. This was used as a bargaining chip by Prime Minister Kevin Rudd to deliver Australia a reciprocal decision-making capability within ISAF following his unusual attendance at the 2008 NATO Summit. Since then, Australia has been represented by its prime minister and other officials at every major NATO meeting, appointed an ambassador to the alliance in Brussels, and began signing classified information sharing agreements and contributing funds to its different trusts.

The concept of NATO's growth beyond the Transatlantic has long been a topic of debate, fueled by a popular essay in 2006 by the now US Ambassador to NATO Ivo Daalder and his academic colleague James Goldgeier. Their call has been backed by former New York Mayor Rudy Giuliani, and global media mogul Rupert Murdoch, both with specific reference to Australia. But absent an Australian presence in Afghanistan, the impetus behind this debate will almost entirely evaporate. Indeed, while the war in Afghanistan has been deeply unpopular among the Australian people (only a third supported Australia's involvement by 2012), the involvement of NATO has been somewhat of a saving grace, with returning political and military leaders loudly heralding any success in raising the profile of Australia in Brussels, a public appetite that will surely disappear in a post-Afghanistan world.

This is inconsistent with an obvious and compelling shift in Australia's international identity in the last half-century away from Europe and toward its own neighborhood – recognizing the "Asian Century," as it likes to call it – reflected in both its 2009 and 2013 Defense White Papers. Indeed, the reality is that while Australians no longer consider themselves part of the European family in foreign and military terms, they seemingly consider themselves part of the NATO family – or at least for now. However, it is likely that this, too, will end with Australia's involvement in Afghanistan. Without reform on the part of NATO toward partner countries, it is unlikely that Australia will ever be able to muster the same level of clout in decision-making on other missions where its contribution is hardly significant. And in a time of intense fiscal pressure on its diplomatic service, it is hard to see the country maintaining a dedicated ambassador in Brussels.

Ultimately, NATO currently has more than 40 different relationships with countries and international organizations. This is in desperate need of reform, and while the Australian experience in Afghanistan – where contributions are met with commensurate decision-making capability – provides a good benchmark for the future, reform of these partnership arrangements remains low on the agenda. As the next NATO Summit scheduled for mid-2014, it must not only focus on the future of Afghanistan, it must also seriously address its own future and that of its partners.

India and China

With the NATO-led ISAF scheduled to complete the transfer of its security responsibility to the Afghan National Security Force at the end of 2014, the future of Afghanistan and NATO's presence there assumes different significance to India and China due to their geographical location, role in international politics, and the history of their relations with NATO.

India and China have been benefiting from NATO's contribution to regional security. ISAF counterterrorism operations keep jihadi groups focused on helping Taliban in Afghanistan. Once the Allied forces leave, the terrorist networks could shift their attention back to Kashmir and India, as recently warned by Punjabi Taliban's chief operational commander.

China also fears that Afghanistan will be a perfect host for anti-Beijing Islamic insurgents and provide them with an international link with other Islamic militants who may support their cause in Xinjiang. However, China's primary concern seems to be its growing investment in oil and mining business there. It is the biggest international investor in Afghanistan. China also looks to interregional economic integration as Afghanistan could serve as a corridor linking Xinjiang with Iran and the rest of the Middle East. India, on the other hand, has acquired a right to develop iron ore mining in Bamyan, and if it succeeds in negotiating full trade transit with Pakistan, this will significantly increase two-way trade with Afghanistan, which is already a partner in the Turkmenistan-Afghanistan-Pakistan-India (TAPI) pipeline. These trade and investment

opportunities generate economic growth and social development, which offer Afghans an alternative to joining militant groups.

Despite sharing many interests with NATO in ensuring a stable and modernized Afghanistan, India and China are neither NATO members nor "contact countries." The two rising powers have maintained low-key roles in security and development assistance in Afghanistan without institutionalized contact with NATO and ISAF. As the 2014 withdrawal approaches, the West is encouraging them to take leading roles in supporting transition and stability.

India and China recently upgraded their bilateral relations with Afghanistan to strategic partnerships in 2011 and 2012, respectively, which paves the way for more political and economic engagement, starting with the training of Afghan security forces inside their own territories. They also launched a trilateral dialogue on Afghanistan with Russia, signaling preparedness for post-2014. But formal collaboration with NATO in Afghanistan is still unlikely, although possible.

India and China are suspicious of NATO. At its inception, the security alliance was designed to protect members from a communist threat. It maintains that democracy is its core value and a basic criterion for membership. India, despite its democratic regime, is a non-aligned country that adheres to its principle of not entering any military alliance. Since the Cold War, it has often accused NATO of representing Western, particularly American, interests; a perspective also shared by China.

Both are uncomfortable with NATO's proclivity for military interventions and the expansion of its area of operations in the Asia-Pacific region. China is afraid that NATO's partnership in Asia will be part of the US strategy to contain its emerging military power. At the same time, India fears that its immediate neighbors, like Bangladesh or Sri Lanka, could join as NATO partners, and it remains cautious of being drawn into NATO's security orbit as its relations with China are improving. NATO knows that collaboration with India and China is valuable, as its defense budgets are increasingly constrained by recession and financial limits in the Western economies. It has conducted frequent formal and informal dialogues with both countries, particularly China, and expressed desire to deepen its relationship with China to make it comparable to the NATO-Russia Council. China also thinks collaboration with NATO in the areas of convergence can facilitate deeper relations with NATO members in Europe and convey the message of its "peaceful rise" strategy.

Although the non-alignment doctrine still prevails in India's foreign policy and forbids India from seeking a formal military ally, its military policy has been turning toward more engagement in the last decade. India is gradually abandoning the military isolationism of the Cold War and started bilateral defense cooperation with more than 40 countries in Asia and Africa, including the United States, Australia, and Afghanistan. The landmark is defense cooperation with the US in 2005, in which both conducted joint military exercises, developed defense industrial collaboration, and cooperated in peacekeeping, humanitarian relief, and maritime security. This radical change with a

country, which India traditionally was suspicious of, means that closer ties and military cooperation with NATO are also possibilities.

So far, China and India have coordinated with NATO in counter-piracy operations and agreed to cooperate on tactics, communications, and information sharing. They also participate in NATO annual seminars on weapons of mass destruction and hold regular high-level dialogues.

Beyond 2014

The end of NATO combat operations in Afghanistan and its struggle to remain relevant by redefining its mission to cover non-conventional security threats and extending partnerships across the globe do not signal NATO's decline, but its adaptation to changing global security scenarios and the international power structure. The newly designed cooperation framework allows NATO's allied and partner nations to collaborate in different clusters and specific areas. The new flexibility also indicates openness to various definitions of partnership, and NATO should use this to deepen security ties with China and India.

The two major powers were usually restrained in military cooperation and intervention in areas where US interests prevail, such as in Afghanistan since 2001. But at the same time, cooperation with China and India, which have a growing interest in taking more responsibility for global security, can be fostered under ad hoc conditions of collective threat and mutual benefit. These areas include transnational terrorism, maritime security, cyber threat, energy security, humanitarian assistance, disaster relief, and stability in Afghanistan. The cooperation can be bilateral, multilateral, or via other international organizations, *e.g.* the UN or EU, or regional initiatives like the Shanghai Cooperation Organization (SCO) or the South Asian Association for Regional Cooperation (SAARC).

In Afghanistan, NATO's continued non-combat mission in security training, capacity-building, and development after 2014 creates an environment more suitable for cooperation with India and China, since New Delhi prefers to avoid combat cooperation and Beijing does not want to confront the Taliban and still relies on Pakistan for its Afghan presence. EU countries and its partners in the SCO can also serve as links in NATO collaboration with India and China, providing coordinated and integrated security, and administrative training and socio-economic recovery assistance to Afghanistan.

NATO should use its large pool of allies and partner countries to improve and extend information sharing and training for counter-piracy and counter-terrorism to include new key regional powers like China and India. It can also offer advanced technology for monitoring and managing of natural disasters as well as joint training for humanitarian assistance. These are all "low-hanging fruit" that could facilitate trust-building and bring NATO closer to both China and India in particular.

However, US dominance of the organization remains a key stumbling block for the countries who wish to cooperate but also want to remain neutral in case of a major conflict. If NATO is sincere in its talk of global partnerships, it needs to work harder to prove its independence from the US and allow others, especially members with a more neutral stance like Germany, France, and Canada, to take a leading role in facilitating and fostering contacts with China and India in Afghanistan.

Ultimately, any flexible membership and cooperation model must be informed by NATO's new Strategic Concept adopted at the 2010 Lisbon Summit. As the document makes clear: "Typically, forces from global partner countries are incorporated into operations on the same basis as are forces from NATO member nations. This implies that they are involved in the decision-making process through their association to the work of committees, and through the posting of liaison officers in the operational headquarters or to SHAPE. They often operate under the direct command of the Operational Commander through multinational divisional headquarters. Regular meetings of the Council at Ambassadorial, Ministerial and Heads of State and Government are held to discuss and review the operations."

This model – largely based on the Australian experience – holds profound lessons for countries such as China and India and demonstrates the significance of extending decision-making power commensurate with contributions to missions of a shared interest. An extension of this Australian model in ISAF would be a helpful balance between the sovereign interests of ad hoc partner countries and the collective vested power within the NATO alliance itself. For example, with many NATO members struggling to contribute their required 2 percent of annual defense spending to the alliance, an arrangement such as this would heighten "burden sharing" while only marginally diluting decision-making – and only then within a certain mission or program.

This flexible partnership model would likely have a number of other benefits. First, NATO allies are more likely to evaluate the viability of additional countries signing on to a particular mission when initiating it, itself a strong indicator of positive intent and sound execution. Their involvement heightens the democratic process of NATO as a globally relevant military outfit, drawing obvious parallels with the representative shortcomings of, say, the UN Security Council, and heightening the legitimacy of any mission. This model also ensures that the drawbacks of an expanded core membership – as were floated in the wake of the Kashmir earthquake – remain absent, given that additional countries would "opt-in" to the process.

Importantly, this model turns away from a "Council of Democracies" concept, which has profound implications for countries such as China and Russia becoming involved in a NATO mission. Under this model, their participation would be welcome without pretense. Importantly, the involvement of these countries would also not compromise the core values of the NATO alliance, instead relegating these to a mission-by-mission basis for consideration by third parties on an individual basis.

Conclusion

The end of the ISAF mission in Afghanistan marks the turning point of NATO's role in global security. On one hand, the mission's success, which will be crucial for NATO in drawing support from members and partners in future missions, will be measured by successful security transition and political stability in Afghanistan after 2014. On the other hand, NATO's existence as a military alliance is also challenged by its waning relevance after it leaves Afghanistan. This may affect the ties NATO has with major partners like Australia, whose contribution to the ISAF mission is fundamental to its close partnership with NATO, as long as future cooperation is not well defined.

The success in Afghanistan depends in part on how capable NATO is in preparing Afghan security forces and laying a firm administrative ground for the future democratic government. Additional support and assistance from Afghanistan's neighbors like India and China are as important as that from NATO's existing partners. NATO's engagement and cooperation with these two Asian great powers will not only strengthen Afghanistan's future, but will also help tackle unconventional global security threats and fortify its global partnership scheme. However, formal cooperation and partnership with India and China – which impose conditions on military cooperation and hold skeptical views about the NATO mission – will, if possible, most likely be under ad hoc conditions. Engaging with these two powers and other partners will require NATO to establish a flexible model of collaboration with decision-power resting more on each party's contribution. This will be the task it needs to prioritize post-2014.

Poor Governance and Future Insecurities in Myanmar

By Ray Hervandi, Elizabeth Petrun, and Billy Tea

Myanmar has never had it so good. Western sanctions are turning into a warm embrace of the country. Foreign money is flowing in, and the economy seems set for a takeoff. Aung San Suu Kyi is open about her ambitions to become the country's next president. All of this was inconceivable just three years ago when President Thein Sein first started the reform process.

But, as others noted, not all is well in Myanmar. Among the more important issues that the country faces are poor governance and weak state capacity. For clarity, this paper assumes the United Nations' definitions of state capacity.

- Individual level: developing conditions that allow individual participants to build and enhance existing knowledge and skills.
- Institutional level: modernizing existing institutions and supporting them in forming sound policies, organizational structures, and effective methods of management and revenue control.
- Societal level: supporting the establishment of a more interactive public administration that learns equally from its actions and from feedback it receives from the population at large.

This paper argues that continuing poor governance may derail Myanmar from its current upward trajectory. To ensure the success of its reforms, the country must develop state capacities and, along the way, manage ethnic-religious chauvinism.

Why Myanmar?

Myanmar was not always the broken, authoritarian country that the world sees today. Despite the devastation caused by World War II, the country – along with the Philippines – stood out for its prospects for sustained economic growth. At the time, it was the world's foremost rice exporter and its literacy rate far exceeded that of its neighbors. In 1960, the average Burmese was making two and three times, respectively, of what counterparts in Thailand and Indonesia were earning.

Although the country went down the wrong road in the following half century, its natural endowments – even after rapacious, decades-long exploitation – and economic potential remain. The country is still rich with hydrocarbons, minerals, wood, and other forms of natural resources. Myanmar's population of 55 million represents one of the last frontier markets in the world. With Myanmar's annual GDP (PPP) per capita hovering around $1,500, there is much room for growth if the country pursues thorough and detailed policies and strategies.

Importantly, Myanmar is strategically positioned. Located where China, Southeast Asia, and India converge, the country is the natural hinge connecting three dynamic and increasingly interlocking parts of Asia. Neighboring countries are proposing

and engaging in projects that make use of their prime geography. Railways, roads, and pipelines will connect Yunnan province, in China's remote southwest, to Kyaukphyu on the Bay of Bengal. Jointly with Myanmar, Thailand is developing a deep-sea port in Dawei on the Andaman Sea, while the Indians are building a special-economic zone in Sittwe on the Bay of Bengal.

Increasingly, apart from its transition away from military authoritarianism, potential as an untapped market, and emerging role in international sea lines of communication, Myanmar also matters to countries further afield. Such policy changes take up scarce political capital. Human rights groups, among others, contended with business interests in changing those policies. The backtracking in, or even total failure of, Myanmar's reforms will reverberate in the policy debates of Western capitals, and this adds to the latter's stake in the country's reforms.

Governance, or Lack Thereof, in Myanmar

Myanmar's long history of poor governance, in addition to the pressures of Western sanctions, created a country in shambles. Misguided economic policies over decades are one reason for the country's stagnation and eventual relapse. The current reforms aim to reverse the economic regression, but the country also needs to pursue better governance if the reforms are going to be self-sustaining and successful.

The political instabilities of post-colonial Burma and its restive borderlands led to the 1962 coup d'état of Gen. Ne Win. Under his watch, Burma nationalized all industries and pursued isolationist and eclectic socialist policies. The subsequent military regime that quelled the 1988 democracy uprising in Burma did not substantively change the broad outlines of Ne Win's economic policies. As a result, when Myanmar's current government secured power in 2011, it had to deal with low levels of industrialization, a weak financial sector, and gross distortions and inefficiencies.

In the near future, the lack of quality institutions and adequate personnel may hobble Myanmar's reforms. The country lacks sufficient resources to simultaneously address routine issues and implement policies that emanate from the president's office. The necessary capacities a state should have, such as strong law enforcement and a working judicial and tax system, are underdeveloped in Myanmar. Meanwhile, the missing middle stratum of Myanmar's bureaucracy has forced ministers to attend 10 to 20 meetings a day. As a result, reform policies get implemented in a slow and imperfect manner.

Thus, while Myanmar is slowly democratizing, it lacks the capacity to address rampant trafficking of opium, wood, minerals, and people. In 2012, the United Nations ranked the country as the world's second largest producer of opium. It is estimated that around 256,000 Burmese households are involved in the cultivation of opium, which over 50 drug-trafficking organizations then distribute abroad.[1] Burmese opium often finds its

[1] "Special Report: Myanmar declares war on opium," *Reuters*, Feb 20, 2012. http://www.reuters.com/article/2012/02/20/us-myanmar-opium-idUSTRE81J02120120220

way to neighboring countries such as Thailand, Laos, and China. The Chinese police seized 13.5 tons of illegal drugs and arrested 17,000 drug smugglers in Yunnan in 2011 alone.[2]

Likewise, Myanmar's lack of strong governance enables officials and crony businessmen to conduct illegal wood trade with impunity. According to environmentalist groups, the country's tropical forests are Asia's most extensive intact ecosystems and contain the world's last remaining golden teaks. Myanmar is the largest timber exporter in Indochina, with teak accounting for over 60 percent of forestry export earnings and generating over $309 million in revenue in the 2011 fiscal year. Nevertheless, illegal deforestation has reduced forested areas from 57 percent of the country's landmass in 1990 to 47 percent in 2005. Global Witness, an environmental advocacy group, notes in a 2009 report that illegal logging was rapidly destroying Myanmar's northeastern forests with the felled timber mostly smuggled to China's Kunming province. According to the same report, a truck carrying on average 15 tons of illegal timber crossed the China-Myanmar border every seven minutes in 2005.[3]

Rich in coal, copper, gold, zinc, tungsten, gems, and other minerals, Myanmar draws a substantial share of its foreign income from mineral exports. It is the producer of the vast majority of high-quality rubies on the world market and of jadeite, the most expensive kind of jade. Gem sales brought Myanmar more than $3.7 billion between March 2011 and February 2012, as the country produced 13 million carats of rubies, sapphires, spinel, and peridot, and more than 43 million kilograms of jade in those two years.[4] However, as a 2008 Human Rights Watch report notes, gem mining takes place in deplorable conditions, where land confiscation, extortion, forced labor, child labor, environmental pollution, and unsafe working conditions are common.

Human trafficking also adversely affects Burmese society at every level. The US Department of State's 2011 *Trafficking in Persons Report* notes that Myanmar, a source and a transit country for human trafficking, regularly traffics men, women, and children for sexual and labor exploitation. Most of those trafficked end up in Thailand, China, Malaysia, Bangladesh, South Korea, Macau, and Pakistan. There are no reliable estimates for the number of people trafficked annually but, just in 2008, the Burmese police investigated 134 trafficking cases that involved 203 victims – 153 female and 50 male – and prosecuted 342 traffickers.[5] Fifteen cases were of internal trafficking, and there are likely additional, unreported cases in remote areas.[6] Identified cases represent only a small fraction of the actual incidents of trafficking; UNICEF, for instance, estimated in

[2] "Chinese Drug Bust Shed Light on Burma's Burgeoning Trade," *The Irrawaddy*, March 26, 2012. http://www2.irrawaddy.org/article.php?art_id=23285

[3] "Burma's Missing Timber Millions: Destination China," *Global Witness*, Oct. 18, 2005. http://www.globalwitness.org/library/burma039s-missing-timber-millions-destination-china-burmese-version

[4] "Letter to President Obama Regarding Burma's Import Ban," *Freedom House*, Nov. 15, 2012. http://www.freedomhouse.org/article/letter-president-obama-regarding-burmas-import-ban

[5] United Nations Inter-Agency Project on Human Trafficking (UNIAP) http://www.no-trafficking.org/reports_docs/myanmar/myanmar_siren_ds_march09.pdf

[6] Trafficking in Persons Report 2011 http://www.state.gov/j/tip/rls/tiprpt/2011/

2003 that 10,000 girls were trafficked each year from Myanmar to Thai brothels alone. These illegal activities are symptomatic of deficient state capacities. Failure to address these weaknesses will slow Myanmar's reforms or even knock them off-track.

The Burmans and the Burmese

Nationalism rarely mixes well with ethnic and religious diversity. This is particularly the case when nationalism associates the nation's "authentic" identity with one specific ethnic-religious identity. In most cases, this identity belongs to the largest or the politically dominant ethnicity of the nation. As the tie that binds together a mass of strangers who see themselves as a part of the same national community, this makes some sense. However, this association often belies the demographic reality of that nation and, in some cases, may serve to marginalize and alienate citizens who do not belong to the favored ethnicity or religion.

In Myanmar's case, nationalism means Burman-Buddhist nationalism. Undoubtedly, the identification of ethnic Burmans – who comprise two-thirds of Myanmar's population – as "authentic" Burmese overlooks the country's ethnic mosaic. That mosaic also includes, among others, the Karens, the Shans, the Chins, the Mons, the Kachins, and the Was. Tensions that arise from Myanmar's ethnic diversity are further exacerbated by the fact that many non-Burmans are also non-Buddhist.

In the past, such fragmentations have stoked fears of national disintegration in Myanmar, especially in military circles. When combined with Burman chauvinism and simmering discontent among the non-Burmans, the Burmese military's fears became reality when Myanmar's borderlands erupted in open conflict for secession or autonomy. Through brute force, brutal tactics, and negotiated ceasefires, Myanmar has prevented splintering in the nation. But the threat persists.

While ethnic strife in the Burmese borderlands seems to have softened, misguided Burmese nationalism is threatening another minority. Murderous attacks by Buddhists on Muslims in Rakhine state in 2012 have spread to central Myanmar. Up to 140,000 people remain internally displaced due to the violence in Rakhine state, and there is evidence of extremist monks, abetted by government inaction, inciting attacks against the Muslim Rohingya. [7] In February 2013, horrifying video footage emerged of police officers standing by as Burmese Buddhist rioters set fire to a Muslim man. The police were said to have filmed the intense clashes in Meiktila between the Buddhist 969 squad and Muslims that left 43 people dead. In the grainy footage posted on the Internet, a man – almost certainly a Muslim – is seen rolling around on the ground in agony after being set alight by an angry mob.

Locals complain of too few police in the city – of about 180,000 people – to subdue the unrest. According to Human Rights Watch, some of the police force is complicit in the atrocities. Some complied by disarming Rohingya Muslims of self-made

[7] "Buddhist Monks incite Muslim Killings in Burma," *The Irrawaddy*, April 9, 2013. http://www.irrawaddy.org/archives/31739

weapons, standing by, or even joining in as Rakhine Buddhist mobs killed men, women and children in June and October 2012. Although there were cases in which "the state security forces intervened to prevent violence and protect fleeing Muslims, more frequently they stood aside during attacks or directly supported the assailants, committing killings and other abuses." The report said that at least 110 people died during the unrest. The failure to properly investigate or punish state officials emboldened those behind campaigns against Muslims elsewhere, said Phil Robertson, deputy Asia director at Human Rights Watch, referring to the violence in central Myanmar that killed more than 43 people in March and displaced at least 12,000 people.

"People are allowed to incite and instigate in a coordinated campaign - this is the lesson taken in by others," Robertson told Reuters. "What happened in Arakan (Rakhine) has helped spark radical anti-Muslim activity." In this case, the armed forces illustrate their lack of capacity and training. Although there have been instances in which the state police force made some efforts to prevent the violence, some stood by or even participated in the violence.

The inability to properly investigate and prosecute these crimes demonstrates a clear lack of working judicial and law enforcement processes in Myanmar. There is no coordination within the armed forces, and they do not have the training necessary to respond to these events of mass violence. The police force's failure to uphold its duty to bring public order and safety needs to be addressed because inadequate sanctions against perpetrators of violence will only exacerbate anti-Muslim violence. This will, in the end, make Myanmar's transition brittle.

Nationalism in Myanmar is both a source of stability and instability. Burmese nationalism has underpinned the country's capacity to persevere and survive despite the odds. Nevertheless, it is also destabilizing the country by aggravating underlying Burmese prejudices that lead to violence, and weakens international goodwill toward Myanmar.

Policy Recommendations

Myanmar needs working state capacity that will reinforce both internal and international opinions of its permanent transition toward its own style of democracy. To this end, it must develop, among others, its state capacity. In this paper, state capacity refers to effective leadership; state institutions that are capable, legitimate, and credible; and a citizenry that participates in its own governance. Capacity building is paramount for any state to have stability, as it enables the state to respond to domestic frustration and to nip potential problems in the bud. State capacities should allow a government to prevent a conflict from breaking out.

With this in mind, there are two steps to capacity building:

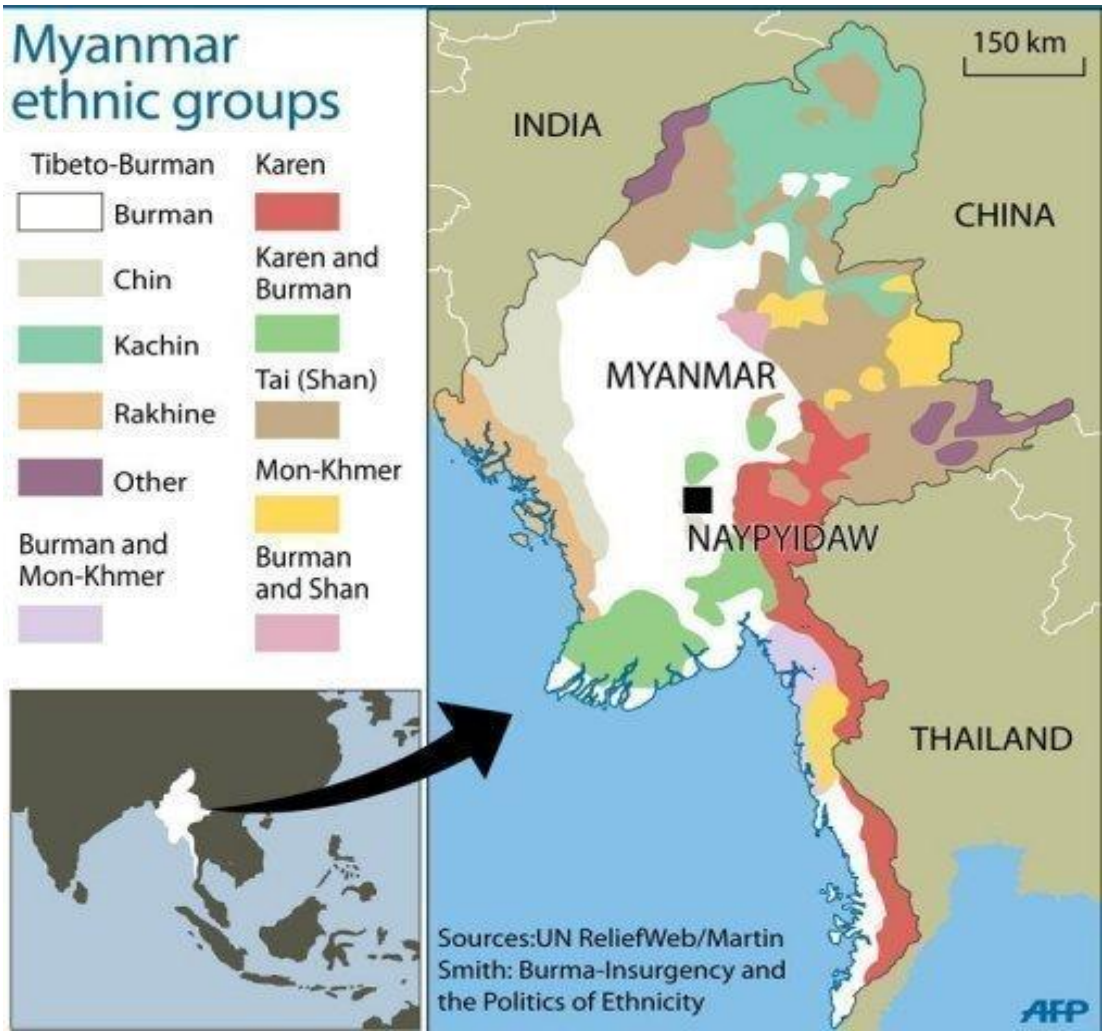
1) Capacity Assessment: a structured and analytical process whereby the various dimensions of capacity are assessed within the broader context, as well as evaluated for specific entities and individuals within the system.
2) Capacity Development: the process by which individual groups, organizations, institutions and societies increase their abilities to: (i) perform care functions, solve problems, define and achieve objectives; and (ii) understand and deal with their development needs in a broad context and in a sustainable manner.

However, there are still many challenges that Myanmar faces. For example, the reforms are driven by only a handful of people at the top – the president and a few key ministers are often the country's key decision makers. Reforms must be broadened and deepened, and consensus for further reforms must be extended to other institutions. Otherwise, reforms might not last until the next election.

There is also an imbalance in the legal capacities of the different branches of the Burmese government, the political opposition, and civil society. Myanmar's ability to act is still primarily available only to those in government. As a result, the capacity to lobby for certain priorities and assistance from the international community, and by extension the ability to implement programs also varies among the different political actors in Myanmar.

Another danger to Myanmar's reforms might come from its many priorities. The authorities are trying to achieve too much too quickly. Institution-building should be prioritized to serve as the foundation for other types of reforms. Reforming the police force, for example, would be useful for increasing Myanmar's governance capacities. While the Burmese people have tended to look askance at the police, reforming the police force can show that they are on the side of the Burmese people. This, in turn, may help Myanmar's government throughout the reform process.

The reality of unfinished conflict in Myanmar's non-Burman borderlands will inevitably complicate the reform process. But focusing reforms in the Burman areas of Myanmar first may produce a virtuous cycle. As the fruits of reform become evident in the Burman core of Myanmar, provided that ethnic prejudice against the non-Burmans is kept under control as a matter of policy implementation – admittedly a significant caveat – this strategy may convince the non-Burmans of the benefits of staying in and negotiating. In this sense, our program focuses on the Burman areas of Myanmar.



While developing governance capacities is a slow process, Myanmar cannot afford to ignore this issue without endangering the prospects for reform. To build state institutions and bureaucratic personnel, the country needs to initiate programs that will build human capital in Burmese society in the near future. In particular, we recommend that Myanmar focus on the following areas:

- Information gathering: Good decisions are based on reliable information. Therefore it is important to establish a forum at which Track 1, Track 1.5, Track 2 Dialogues can share information and update ongoing projects.
    - Create a forum between government, private sector, international organizations, and NGOs to pull together information on the ground.
    - Put together a committee that will report directly to the president's office in order to ensure the consistency of his policies and avoids overlaps.
- Legislature: As a Parliament is a significant player in any democracy, building its capacity is crucial to Myanmar's reform process.

    - Obtain funding for capacity building, in particular for expert staff and independent legislative drafting capacities.
    - Create a more defined committee structure and rules.

- Judiciary: Because of the issues of corruption and miscarriages of justice pointed out above, reform of Myanmar's judicial system is urgently needed.
    - Develop a system for appointing judges through independent selection panels.
    - Develop and implement a comprehensive retraining program for all judges.
- The police force: Likewise, the poor and prejudiced conduct of Myanmar's police force, especially in non-Burman areas, will weaken reform efforts if it continues this way. Thus:
    - Provide training and expertise to police forces from international organizations and foreign governments for best practices.
    - Promote anticorruption measures by increasing police force salaries and revamping the reporting mechanism for enforcement's actions.
    - Rectify police wrongdoings to rebuild public credibility.

Envisioning Unification: Clearing the Road to a United Korea

By Seongho Hong, Hyeonseo Lee, and Timothy Stafford

Policymakers with a stake in peace and security of the Asia-Pacific region should spend less time worrying about North Korean aggression and more time planning for collapse of the regime in Pyongyang. Dictatorial regimes have collapsed swiftly, triggering a paralyzed response from the international community. The United States, China, and the Republic of Korea should prepare for the collapse of the North Korean regime and the emergence of a government in Pyongyang that is favorable to reunification. If they do so, the prospect of a unified and denuclearized Korean peninsula governed from Seoul would become more viable.

The Korean Peninsula has long been Northeast Asia's strategic center of gravity. In the early 20th century, Japan occupied Korea and used it as a springboard for territorial expansion throughout the Asia-Pacific region. Conflict between the Democratic People's Republic of Korea (DPRK) and the Republic of Korea (ROK) in the 1950s involved the United States, the Soviet Union, and the People's Republic of China. To this day, the Peninsula remains a potential flashpoint. North Korea's repeated nuclear tests and the saber-rattling rhetoric of Kim Jong-un create anxiety in Beijing, Tokyo, and Seoul. In Korea, regional developments have global consequences.

Yet, despite the Peninsula's central importance to global security, the international community's current approach is one-dimensional, focusing almost exclusively on the danger posed by the DPRK's nuclear arsenal. For instance, discussion of North Korea's nuclear program and the need for denuclearization dominated coverage of the recent meeting between Xi Jinping and Park Geun-Hye.[1] Likewise, most expert analysis of Korean affairs focuses largely on the nuclear issue and the danger of regional tensions leading to a hot war involving the use of unconventional arms. Indicative of this approach is a recent piece by the academics Lieber and Press, who outline the possibility of a conventional conflict escalating into a nuclear one.[2] North Korean threats of military force might one day be manifested, triggering a regional conflagration. Should Pyongyang mistake foreign actions as constituting the commencement of comprehensive military action aimed at regime change, it could adopt a 'use it or lose it' nuclear policy.

Failing to remain vigilant against such a worst-case scenario would be irresponsible. However, so too would a failure to plan for an equally plausible scenario: the collapse of the regime in Pyongyang and the emergence of a once-in-a-generation opportunity to unite the Korean Peninsula. Asia-Pacific stakeholders make little allowance for the notion that the regime in Pyongyang might fall in the absence of conflict. As a consequence, little contingency planning has been undertaken in

[1] "Channel News Asia (June 27, 2013)" http://www.channelnewsasia.com/news/asiapacific/china-south-korea-agree/726932.html

[2] "The Next Korean War", Keir A. Lieber and Daryl. G. Press, *Foreign Affairs*, (April 1, 2013) http://www.foreignaffairs.com/articles/139091/keir-a-lieber-and-daryl-g-press/the-next-korean-war

preparation for regime change that results from a popular uprising. For instance, South Korea's own unification efforts are limited to encouraging a steady improvement in ties between the North and South, rather than preparing for any radical shift in North Korean politics.

This should not be surprising. The international community's record on forward planning is checkered. The last decade alone is littered with examples of dictatorial regimes being overestimated. For instance, the United States' failure to plan for post-invasion lawlessness in Iraq owed much to Washington's inability to predict that Saddam Hussein's fall would be swift and sudden. Likewise, the inability of developed nations to envision genuinely populist movements in the Islamic world ensured that their collective response to upheaval in Egypt and Tunisia amounted to little more than hesitancy.

Such lack of imagination cannot be countenanced in the case of North Korea. Primarily, the tide of popular protests has proven to be irresistible in the 21st century, with small demonstrations becoming rallying points for those with grievances, who might not have considered engaging in expressions of anti-government sentiment. The current unrest in Brazil and Turkey, both formal democracies, demonstrates the attractiveness of anti-establishment politics in an age of instant communications. In North Korea, where legitimate grievances range from corruption to the fear of famine, the threshold for a potential "tipping point" is low.

In addition, the ability of the current regime to respond to popular unrest effectively is limited. It could seek to quell unrest with promises of financial betterment, an approach that has been adopted by Riyadh and Sao Paulo. However, lacking oil wealth or a dynamic economic growth, Kim Jong-un is in no position to fund such a strategy. An alternative would be to promise political reform in an effort to forestall calls for change. However, the Soviet Union's collapse and the fall of Mubarak in Egypt demonstrate that pledges of political reform are only successful when made from a position of strength. If made from a weakened position, they only encourage further demands. Lastly, the DPRK regime could seek to suppress popular dissent with force, a policy adopted by the Iranian authorities following the 2009 presidential election. However, such an approach assumes that Pyongyang has sufficient assets at its disposal to hold back an angered populace agitating for political change. Most of the country's defense assets are geared toward repelling outward threats, not a grassroots uprising.

Taken together, these trends and dynamics reveal North Korea to be a country at high risk of a popular uprising and ruled by a government incapable of reacting effectively if it were to occur. The chances of unchecked public pressure resulting in regime change are therefore much higher than commonly assumed, making the DPRK a tinderbox. Given the importance of Korea to global security, states with an interest in the stability of the Asia-Pacific region should dedicate much more effort to planning for the possible collapse of the North Korean regime.

What ought such contingency planning look like? In our estimation, advanced planning for the possible collapse of Kim Jong-Un's regime ought to focus on putting in

place the prerequisites for unification of the Korean Peninsula under the leadership of Seoul. This view rests upon two judgments. The first is that a successor regime, more responsive to the wishes of the North Korean people, would be inclined to seek unification as the fastest route to stability and prosperity. The second is that absorption of the DPRK by the ROK would be the most effective method of containing political upheaval. Ensuring that the prerequisites to swift reunification are put in place requires potential stumbling blocks to be addressed in advance. If the international community takes these steps, it will increase its ability to implement a comprehensive plan at short notice if and when the regime in Pyongyang implodes.

Doing so will not be easy. West Germany's de facto acquisition of East Germany demonstrated that unification offers the best prospect for the lasting stability of a previously divided state. Yet, both the Soviet Union and United Kingdom opposed unification. It took the strong backing of the United States to secure unification. In the event of state collapse in North Korea, reunification could only proceed with the backing of four major stakeholders: the United States, China, South Korea, and the people of North Korea. None of these should have their support for unification taken for granted. This makes it all the more necessary to secure their support in advance. Accordingly, this paper advocates a number of policies that ought to be taken by each stakeholder. If adopted in a coordinated fashion, unification ought to be able to win unanimous backing if and when the regime of Kim Jong-un falls.

United States

The US' primary objective with regard to the Korean Peninsula remains its full denuclearization. This would be unlikely to change even if a more moderate regime came to power in the DPRK. Accordingly, the United States would be wise to make a public link between its support for reunification and denuclearization of the North. Such a move would tie reunification to the realization of Washington's key priority, ensuring that its support for a unified Korea could be won. In addition, it would put pressure on any future interim authority in Pyongyang that wished to begin unification proceedings. The result ought to be a successor regime more willing to disclose the location of its nuclear devices and allow for their decommissioning.

China

China's assessment of reunification is much more nuanced. Beijing has traditionally been wary of DPRK regime collapse, fearing that such an event might prompt a large influx of refugees and the advancement of US troops to its border. Addressing both of these concerns will be essential if Beijing is to be deterred from making a last ditch attempt to 'prop up' a failing North Korean regime as opposed to supporting its unification with the South.

Fortunately, Beijing's concerns can be addressed. First, the ROK could move to address concerns about refugees by constructing a large network of facilities ready to absorb North Korean refugees. Such dedicated centers ought to come complete with

stores of food, electricity, clothing, and medical facilities. Constructing them in advance would encourage North Koreans fleeing political turmoil to head south, rather than north, easing the burden upon Beijing.

In addition, the United States should move to address Beijing's concerns about encroachment of US military forces by issuing policy reflective of commitments made in the NATO-Russia Founding Act of 1994. This document ruled out the positioning of US forces or installations in the territory of former Eastern Bloc countries, despite their admission into NATO. In addition, the Pentagon should announce a draft timetable for the phased withdrawal of US troops from the Korean Peninsula, benchmarked against safeguarding North Korea's nuclear assets. By outlining in advance the conditions that would enable a US withdrawal from Korea, Beijing could be reassured that regime change would not undermine its interests. Indeed, it might even be encouraged to accede to US military operations in the former DPRK. For instance, the United States should reassure Beijing that in the event of internal regime change, its forces would undertake no military operations north of the 38th parallel except for the purposes of securing North Korea's nuclear arsenal. Such pledges ought to be more readily accepted in light of the agreed China-US position on North Korea's status as a nuclear armed state.[3]

South Korea

Whilst generally supportive of unification in theory, Seoul would face serious challenges should an interim North Korean authority formally request unification negotiations. Chief among these would be the enormous economic burden of supporting a North Korean population woefully underserved by its government. The degree of investment and emergency assistance needed to stabilize its former neighbor could be an exogenous shock of epic proportions, far exceeding the challenge faced by West Germany in the early 1990s. Accordingly, there is a very real danger that the population of South Korea might prove hostile should the prospect of unification arise.

This problem can be addressed in a number of ways. First, South Korea should request (and its economic partners should agree) that existing free trade agreements will remain in force in the event of unification. Without such agreement, South Korea's trading partners might rightly claim that the assumption of the North represents a material change to existing agreements, giving the South tremendous advantages in terms of labor and a devalued currency. It is essential that this not come to pass, for rapid development of the North Korean economy offers the best chance of reducing the burden upon South Korea.

In addition, Seoul should set aside an emergency fund to be tapped only in the event of unification. Doing so would lessen the need to find emergency financing on the

[3] "Xi-Obama summit: US and China agree North Korea must give up nuclear weapons," *The Telegraph*, June 9, 2013.

open markets, or risk austere public spending cuts and tax increases to fund spending north of the former border. Pledges of funding should be solicited from nations with an interest in a stable Korea, specifically, Japan, Australia, and the United States. The international community ought to complement this move by authorizing the World Bank and International Monetary Fund to prioritize a newly unified Korea above countries with lesser wealth, at least in the short term.

North Korea

Last of all, attention must be given to the North Korean public. Regime collapse in Pyongyang would be a traumatic event for the North Korean population. Accordingly, every effort must be made in advance to ensure that the consequences are tolerable. The presence of effective relief centers in South Korea, and effective use of the "unification fund" outlined above, would help to ensure this. Two other measures should be readied in advance. First, South Korea's judiciary should receive explicit training for the resolution of right of return and other refugee-related issues. Unification could prompt the emergence of competing claims to property and other assets. Training to resolve these disputes should be sought from nations that have encountered such issues. Ensuring that South Korea's judicial system is well versed in best practices would reduce the likelihood of the North Korean public developing grievances that can undermine their faith in Seoul's capacity to govern in their best interest.

In addition, a method for privatizing North Korea's economic assets should be set up in advance. Economic liberalization would follow unification. Such a period would offer the possibility for oligarchs to emerge, fracturing North Korean society. No side will benefit if the Russian experience of the 1990s is repeated. As a result, South Korea should make clear its determination to prevent any stakeholder from acquiring more than a 20 percent share of a North Korean economic asset (business, factory, commodity resource, etc.). Establishing these limitations in advance would reduce the chances of North Koreans adopting the kind of negative reaction to economic change that occurred in Russia and other parts of the former Soviet Union.

Conclusion

A number of dormant challenges will quickly arise if the North Korean regime is replaced by a government that supports unification. The steps outlined in this paper offer the international community a roadmap to ensure unification is a viable policy response. Each could be taken alongside existing policy to hedge against unexpected political change in North Korea. Such political change, whilst absent at present, is not unforeseeable. It is therefore the responsibility of the international community to prepare for it and to ensure that a response built upon the goal of a reunified Korea has a high likelihood of success.

US-China Relations, Energy Security, and Internet Security: Three Unanswered Questions for International Security

By Chin-Hao Huang, Mihoko Matsubara, and Liang Wei

In an increasingly uncertain and interdependent world, there are a number of complex challenges to global security. This working group has identified what it believes to be three of the most important security issues that warrant closer scrutiny and attention: US-China military-to-military relations; energy security; and Internet security.

First, China's rise raises anxieties across the region, and it is imperative that the United States and China, two pivotal countries in the Asia-Pacific, improve and expand bilateral military contacts. Second, the growing dependency on fossil fuels and the need to reduce shocks and uncertainties in a volatile global energy market have been perennial security challenges. This calls for an urgent need to engage in building and expanding smart communities to better balance and more strategically utilize our existing infrastructure and finite amount of natural resources. Smart communities provide a forward-looking alternative to create a more sustainable path for global prosperity, security, and development. And third, the creation and diffusion of new networks and communication channels through the Internet have brought benefits as well as a growing number of new security challenges. In particular, establishing a common platform to mitigate, manage, and respond to threats to cybersecurity requires international cooperation. There remains much room for collaboration across state boundaries to ensure sustainable access to the Internet that will have direct impacts on businesses, global trade, and international security.

In short, this paper brings new light to these three security challenges from the perspective of Young Leaders and proposes a number of pragmatic and actionable solutions in the near-and medium-term to help address these emergent security challenges to international security.

Uncertainty and Opportunities in US-China Military-to-Military Relations

Power transitions throughout history have often been marked with uncertainty. As relative power capabilities shift and evolve, one of the most important security challenges since the end of the Cold War is how the United States and the international system will incorporate and accommodate a greater role for aspiring powers like China. For better or worse, US-China relations will arguably be the single-most important bilateral relationship in the region and for global security.[1]

[1] See Roy Kamphausen, David Lai, and Travis Tanner, *Learning by Doing: The PLA Trains at Home and Abroad* (Carlisle, PA: Strategic Studies Institute, 2012); Bonnie Glaser, "US-China Military Relations: The Weakest Link," *China-US Focus*, March 9, 2011, http://www.chinausfocus.com/peace-security/u-s-china-military-relations-the-weakest-link/; Kevin L. Pollpeter, "US-China Security Management: Assessing the Miltiary-to-Military Relationship," *Rand Corporation*, 2004, http://www.rand.org/pubs/monographs/MG143.html.

While uncertainty persists, there is also a great amount of unrealized potential and opportunity in US-China relations that could contribute to greater peace and stability in the Asia-Pacific region and beyond. In particular, military-to-military relations can and should expand and be regularized. Compared to the 1980s, where US-China security relations were much closer and targeted at addressing the Soviet threat, the last two decades have seen more halting and sporadic contacts between the two militaries.[2]

At its root, the US National Defense Authorization Act of 2000 imposes a limit on the scope and scale of exchanges permitted, allowing only rudimentary, low-level exchanges on non-sensitive security issues. The law prohibits the Pentagon from engaging in any military contacts with the People's Liberation Army (PLA) if it could "create a national security risk due to an inappropriate exposure" to activities including joint combat operations. Even low-level engagements have been interrupted by a series of events including, but not limited to, US arms sales to Taiwan, the EP-3 collision crisis in 2001, and maritime disagreements and confrontations in the East and South China Seas.[3] The Strategic and Economic Dialogue in recent years has put the spotlight back on more regularized and frequent military contacts, where both sides agree on the importance of direct military contact. In January 2011, then-US Secretary of Defense Leon Panetta visited China, and his Chinese counterpart Liang Guanglie made a reciprocal visit that summer – the first Chinese defense minister to do so since 2003.

As then-US Pacific Command (PACOM) Commander Adm. William Fallon admitted in 2005, military contacts between the two sides are "exceedingly limited."[4] More frequent exchanges on all levels – from the top leadership to the more mid- and junior-level frontline officers – can be mutually beneficial and help to build trust and understanding. The pace, scope, and future trajectory of China's military modernization have often been cited as sources of concern for the United States. Where there are questions about capabilities, strategy, and intentions, such questions can be best addressed through more, not less, dialogue and engagement to learn about each other, build confidence, and reduce the possibility of accidents.

Conflict avoidance and crisis management and resolution can only be more effective if there were established channels of improved and regular communication.[5] Absent such engagement, each side would continue to speculate and plan for worst-case scenarios, draw erroneous assumptions, and reify misperceptions, all of which contribute to a self-fulfilling prophecy of unnecessary and costly conflict. It should be prefaced, however, that any such engagement between the two armed forces needs to be substantively informative and are fully reciprocal in order to help promote a more constructive military-to-military relationship. This means a greater degree of openness from the PLA about its budget, capabilities, decision-making structure, and intentions.

---

[2] Shirley Kan, "US-China Military Contacts: Issues for Congress," *Congressional Research Service*, April 17, 2013.
[3] *Ibid*.
[4] *Ibid.*
[5] See Kan, "US-China Military Contacts: Issues for Congress," pp. 24-26.

What kind of programmatic activities and/or content then should be included in such dialogues and interactions between the two sides? For one, there can be greater interaction between the military personnel from both sides in regional military exercises such as *Cobra Gold*. China's forthcoming participation in the *Rim of the Pacific* exercise (*RIMPAC*) 2014 is a positive development, where a region-wide maritime exercise and coordination on disaster relief and other functional drills would be emphasized. Other priority areas for engagement could include building and expanding cooperative capacity on such areas as peacekeeping operations, counter-piracy, humanitarian assistance, and military operations other than war (MOOTW).

The chairman of the US Joint Chiefs of Staff Gen. Martin Dempsey's discussions in Beijing with his counterpart in April 2013 included putting together a code of conduct on computer security and a joint cyber working group.[6] Dempsey's visit represented the most senior-level talks between the two militaries in nearly two years. This long gap in direct communication between two of the world's largest militaries contributes to a growing sense of misunderstanding and distrust between the two sides. It is thus all the more important to build on the momentum generated from the April 2013 meeting to broaden and regularize bilateral discussions. Both sides should begin to identify other issue areas that are of mutual concern and interest for the next meeting.

While addressing North Korea's nuclear program, ballistic missile technology, and the related sanctions are important, the deteriorating humanitarian situation should be high on the agenda as well. In addressing the humanitarian situation – e.g., the impact of drought, famine, and potential outpouring of refugees – both Washington and Beijing may begin to see more overlapping areas of interest. On other fronts, a strategic nuclear dialogue between the US Strategic Command and PLA strategic missile command, for example, would also be an important step forward.

At the broadest level, there needs to be political will from the senior-most level on both sides to take the current lack of regular dialogue between the two armed forces seriously and invest the time and energy necessary to improve channels of communication and effectiveness of bilateral security consultations. To be sure, both sides will continue to have key differences on many of these issue areas, and there is no guarantee that US-China relations are headed toward a cooperative partnership. Likewise, and equally important, the state of bilateral military-to-military relations is not destined for a zero-sum game, either. It is thus clearly in the interest of both governments to facilitate more, not less, substantive and productive exchanges and improve the odds that US-China relations will be more constructive than contentious.

Smart Communities – New Key for Energy Security

Energy security constitutes a significant element of global and national stability. Thirst for energy supplies has caused conflicts. For example, Sudan and South Sudan went to war over the Heglig oil fields in April 2012. The fluctuation of energy prices has

[6] Jane Perlez, "US General Sees Hope for Chinese Help on Korea," *The New York Times*, April 24, 2013.

a direct impact on domestic and international economy. World marketed energy consumption will skyrocket by 53 percent between 2008 and 2035, and developing countries have more urgent needs for energy sources given rapidly growing populations.[7] Energy efficiency and renewable energy are "twin pillars" for energy security to slow down demand growth and ensure new supplies.[8] Electricity is one of the most important elements that support national economy and security. Smart communities can help the world achieve energy efficiency and the use of renewable energy as explained below.

First, smart communities make the maximum use of limited infrastructures. Thus, they enable even urban areas where the population is growing fast to meet increasing demands for energy. They aim to improve energy efficiency at the community level by taking advantage of new information and communications technologies (ICT), including smart grids where two-way computer-based control, automation, and communication technology are leading to big improvements in energy efficiency on the electricity grid and in homes and offices. Developing countries are interested in this concept to ensure the sustainable supply of electricity.[9]

Second, smart communities also use renewable energy such as wind turbines and solar panels.[10] For instance, Miyako-jima, an island 300 kilometers southwest of Okinawa with 55,000 residents, is currently pursuing a smart community by introducing solar and wind power. Renewable energy accounts for approximately 30 percent of Miyako-jima's electricity.[11]

On the other hand, smart communities are vulnerable to abysmal weather and cyberattacks. Total dependence on renewable energy is too risky because weather conditions, such as clouds and rain, cause the amount of electricity generation to fluctuate. Accordingly, it is necessary to combine renewable energy with storage battery systems and traditional methods such as fossil fuels.

Convenience and efficiency include another risk: there is a number of ways to infiltrate control systems of smart communities, because they rely on remote control and commercial off-the-shelf systems. Researchers who participated in a conference called

---

[7] US Energy Information Administration, "Information Energy Outlook 2011," Sept. 19, 2011, http://www.eia.gov/forecasts/ieo/, accessed May 1, 2013.

[8] Bill Prindle, et al. "The Twin Pillars of sustainable Energy: Synergies between Energy Efficiency and Renewable Energy Technology and Policy," American Council for an Energy-Efficient Economy (ACEEE) Report No. E074 (May 2007), http://paenergyfuture.psu.edu/pubs/aceee_reports/aceee2007sustainable.pdf, iii.

[9] Japanese Ministry of Economy, Trade and Industry, "*Dai 4 sho Kokunai ta chiiki no smart community no doko to ikigai tenkai no kento* [Chapter 4: how to develop smart communities in Japan and Overseas]," May 2012, http://www.tohoku.meti.go.jp/s_shigen_ene/pdf/h24_5.pdf, accessed May 1, 2013, 85.

[10] US Environmental Protection Agency, "Local Climate and Energy Webcast Series: Smart Grid and Clean Energy for Local Governments --- Background and Resources," April 29, 2010, http://www.epa.gov/statelocalclimate/documents/pdf/background_paper_smartgrid_4-29-2010.pdf, accessed May 9, 2013.

[11] Shu Nomura and Susumu Yoshida, "Miyakojima island goes 'smart' with solar, wind power," *Asahi Shimbun*, Jan. 22, 2012, http://ajw.asahi.com/article/economy/environment/AJ201201220009, accessed May 13, 2013.

IEEE SmartGridComm2010 in October 2010 estimated that smart grids would provide 440 million potential points for cyberattacks at the worst by 2015. It is imperative for governments to make communities both smart and cyber resilient.

The United Nations Development Progamme would be the most appropriate international institution to support global efforts to promote smart communities because of its specialization in social development and past experiences in energy projects. Japan-related case studies would be helpful to let other developed countries share their high technologies and help developing countries introduce smart communities. Developed countries, the private sector, and international aid agencies are working together to help defray and subsidize initial costs. Japan, for example, uses Official Development Assistance to help developing countries create infrastructures, and the private sector plays a major role in launching smart communities in those countries. For example, four major Japanese companies, Fuji Electric Co. Ltd., Mitsubishi Electric Corp., NTT Communications, and Sumitomo Corp., got a contract to start a project to test the feasibility of a smart community on Java Island, Indonesia in fall 2012.

Furthermore, the Japanese government and ASEAN started to hold Information Security Policy Meetings in 2009, and one of their main agenda items is the protection of critical infrastructures. It would be more helpful if the Japanese public and private sectors cooperate together to incorporate cybersecurity and energy security (including supply efficiency and stabilization) into smart communities. This will set a model for other developed and developing countries to follow.

As global demands for energy keep growing, energy security is essential for international security and stability. These are functional issue areas that are less politically sensitive and should thus command widespread support among nation-states in the UN for such common-sense and pragmatic initiatives. The UNDP and developed countries should cooperate together to introduce smart communities to developing countries in order to ensure efficient and stable energy supplies. The balanced combination of renewable and traditional energy sources and cybersecurity would play a key role for smart community-driven energy security.

Internet Security

Internet security is the most influential factor of global security, affecting all aspects of daily human interaction and communication. There are no national boundaries in this global network, which is spread all over the world. Considering that the Internet connects both nuclear weapons and hospitals, power grids and banking systems, the Internet's outreach and impact are remarkable and revolutionary. As a product of the scientific and technological revolution, the Internet, at its basics, is a technology tool, with neutral characteristics. Anyone can use the Internet, and it has no different effects on the user. In short, in its ideal state, the network is a tool, which itself is no threat. But Internet users, which include individual, non-state entities and countries, may have varying degrees of interest. When some Internet users try to pursue their interests and make threats and damage someone else, the network loses its neutral characteristics,

which provides a technological tool with new purpose and meaning.

Users of the Internet can disrupt a country's national security, engaging in cybersecurity threats and network warfare. For example, during the Russian-Georgian conflict in August 2008, prior to the conduct of military operations, Russia reportedly controlled the network system in Georgia. Georgia's transportation, communications, media, and financial Internet services became paralyzed for over 10 hours. This facilitated Moscow's subsequent military operations and objectives in Georgia.[12]

Internet users with malign intent can also destroy the social stability of a country by spreading rumors through a borderless communication network. In April 2008, for example, South Korea and the United States came to an agreement on imports of US beef as part of the bilateral free trade agreement. But rumors surrounding the quality and safety of US beef were spread online; South Korea's television programs also amplified the reporting and magnified the problem. As a result, South Korean Internet users launched strong demonstrations and rallies against imports of US beef, which lasted for more than two months.[13]

Users of the Internet can also gain unlawful access to private financial security networks. In March 2012, the US multinational retailer TJX Companies announced hackers had stolen tens of millions of customers' credit card records, which were mainly from the computer system of British subsidiary TKMAXX. This was considered to be one of the largest cases of identity theft.[14]

Therefore, the sources of Internet security threats are its network users, which include individuals, governments, as well as non-state entities. To be specific, the risks of future network security lies in the lack of network regulations, network reliability, and the inequality and imbalance of the network technology.

Internet security should not focus on increasing restrictions to the network; the focus should be on coming up with a set of rules and regulations for users of the Internet. First, such regulations should include a number of considerations, such as: making requests to network users, unifying the standards to address criminal and other unlawful activities on the network, and establishing a balance between free and open access to network information and safeguarding sensitive information. Who should be the regulation-maker? Member states of the United Nations (UN), major information-technology companies, and users of the Internet have rights and obligations to contribute to this process of formulating the regulations. The UN should be given full scope in

---

[12] "The cyber warfare is coming quietly, Cyber supremacy be pay close attention," *The Xinhua net*, June 7, 2009, http://news.xinhuanet.com/mil/2009-06/07/content_11501622.htm, accessed April 28, 2013.

[13] "Countries make a multi-pronged, Crackdown network rumors," *Beijing Times*, April 19,2012, http://news.sina.com.cn/o/2012-04-19/030924294157.shtml, accessed April 28, 2013.

[14] "Tens of millions of Multinational retailer TJX company customers' credit card records were stolen," China's computer security, March 20, 2013, http://www.infosec.org.cn/news/news_view.php?newsid=15728, accessed April 28, 2013.

international Internet administration. All countries can establish exchange mechanisms with one another through the UN body to better understand other member states' best practices, legislation, and enforcement mechanisms. Major IT companies and Internet service providers should engage in greater dialogue and communication to help resolve problems facing the Internet industry. Likewise, individuals with technical knowledge and expertise in Internet hacking could be invited to join these discussions.

Second, the UN can also suggest ways to help improve global network reliability, which would include reducing over-dependence on the Internet and developing modular technologies for backup and quick repair. Countries should reduce their overall reliance on important infrastructure facility on the Internet, such as dams and reservoirs, energy grids, and communications, to prevent them from being compromised by hackers. Averting and managing these crises should also be better addressed on a global scale.

Third, there should be a global focus to eliminate the inequality and imbalance of network technology. At present, there are high costs and technological barriers that prevent the global diffusion of and access to the Internet. It is understandable that some high-technology goods may be sensitive, and it is important to address these security risks and implications. Countries and major IT companies should seek ways to promote the balanced development of the global Internet industry and network security.

Internet security is one of the most important factors in global security. To help solve the root causes of Internet security breaches, all users of the Internet, including individuals, governments, non-state entities, commercial enterprises, and the UN, bear the rights and responsibilities to help establish a code of conduct and a set of mutually agreed-upon regulations for free and fair access to Internet security. The international community should begin this process in light of the wave of new technological advances. When the International Telecommunication Union was set up in 1865, the UN agency was conceived to manage and deal with the technological breakthrough of the day – the telegraph – and set common standards and coordinating the global use of such novel forms of trans-continental communication. Member states of the UN can come together in the same pragmatic spirit to create a code of conduct that will help minimize risks and capitalize on the Internet's prospects for a more efficient, secure, and globalized world.

Conclusion

This working group has identified three important security challenges and proposals to better manage them. First, in spite of the growing business, trade, and economic ties between the United States and China, it is surprising to see how far military-to-military contact lags other aspects of US-China bilateral relations. Political will is indispensable to expand military-to-military exchanges at all levels to avoid unnecessary and costly conflict. Second, the UNDP and developed countries need to cooperate to introduce smart communities to developing countries to ensure efficient and stable energy supplies. The balanced combination of energy sources and cybersecurity play a key role for smart community-driven energy security. Finally, the UN should take the lead to seek international public-private partnerships to ensure the reliability and

security of the Internet.

These security challenges are complex and our solutions will not necessarily resolve all these problems. They do provide, however, a forward-looking approach and unique perspective from the younger generation. This is a generation that reflects a closer understanding of the importance of global citizenship. As such, the proposals seek to address largely inherited security challenges from a more pragmatic angle, focusing on achievable solutions in the near- to medium-term that will respond to and better manage these emergent security challenges.

Foresight: Assessing the Roots of Future Conflict

By Jenny Lin, Elina Noor, and Nathan Pinkus

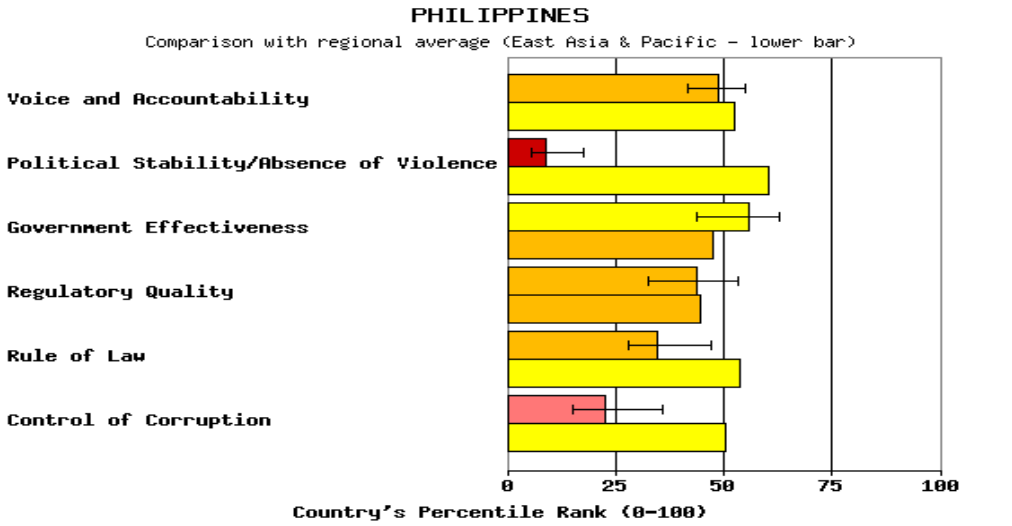
As a nation's most basic and fundamental unit of governance, a government's primary task is two-fold: to preserve the peace, security, and stability of the nation within its borders; and to secure and defend the borders of the state from external threats. Despite the interconnected and transboundary nature of many security issues these days, government also acts as the first line of response to any internal or international crisis affecting its national sovereignty or territorial integrity. Weak governments that are detached from or alienate segments of their society, fail to provide for the developmental infrastructure of their population, and/or fail to conform to standards of good governance run the risk of fraying the very fabric of the nation-state either through internal insurgencies, terrorism, or all-out civil conflict. Uncontrolled, these may spill over to neighboring countries and threaten regional security.

It is only when a government is unable or unwilling to govern or respond to security threats on its own can and should there be: 1) an extension, at the request of the unresponsive government, of support by neighboring governments or regional and/or international organizations; 2) consideration of intervention by the same as a final measure. Incidentally, these are the core conditions that have governed the evolution of the responsibility to protect concept with regard to specific, grave violations of human rights.

This report examines reasons behind poor governance by states and its associated consequences. We randomly select Asian states with poor quality governance to illustrate these points. From highest to lowest quality governance, we present first the Philippines, then Cambodia, and finally Myanmar. Conclusions and recommendations are based on each country's conditions.

Southern Philippines

Conflict in the southern Philippines between the Muslim Moros and the government of the Philippines has stretched back for decades, resulting in the deaths and displacement of thousands. The roots of the conflict are multiple, including historical and contemporary issues. They include forcible annexation of land, destruction of traditional political institutions in the south, government-backed resettlement of Christian populations from other parts of the Philippines to the largely Muslim south, land grabbing, as well as government marginalization and neglect. All these have contributed to deep-rooted feelings of distrust, resentment, and even hostility by the Moro population of the southern Philippines toward Manila.



Source: Kaufmann D., A. Kraay, and M. Mastruzzi (2010), The Worldwide Governance Indicators: Methodology and Analytical Issues
Note: The Worldwide Governance Indicators (WGI) are a research dataset summarizing the views on the quality of governance provided by a large number of enterprise, citizen and expert survey respondents in industrial and developing countries. These data are gathered from a number of survey institutes, think tanks, non-governmental organizations, international organizations, and private sector firms. The WGI do not reflect the official views of the World Bank, its Executive Directors, or the countries they represent. The WGI are not used by the World Bank Group to allocate resources.

Peace has been attempted in fits and starts in the south, but factionalism among the Moros, a perceived lack of sincerity on the part of the government, and ongoing violence has scuppered several initiatives over the years. The most recent attempt was the Framework Agreement on the Bangsamoro (FAB) signed in October 2012 by the Moro Independence Liberation Front (MILF) and the government of the Philippines. The agreement represents perhaps the most hopeful opportunity after 15 years of negotiation to try to forge lasting peace in the south. Although success is still tentative and premature, there are several factors that characterize the fragile promise of the FAB.

A distinctive strength of the FAB touted is its inclusivity. In the run-up to the signing of the FAB, the government of the Philippines engaged in more than 100 consultations with a diverse range of stakeholders in the peace process. Apart from direct parties to the agreement, engagement also included the church, indigenous citizens, and even the international community. The MILF, for its part, promoted the FAB as not just for itself but for the Moro community ("Bangsamoro") at large. After the FAB was signed in October 2012, it was open to public feedback for seven days.

The process also recognized the significant mediating role that women have played on the ground throughout the conflict. Over the years, Mindanao has emerged as a positive yet undervalued model of a conflict area where women have played a tempering, important role in advancing pragmatic solutions to daily life ridden by strife. They have ensured that their families are fed and children are protected and schooled as much as possible where fathers, brothers, and husbands have been lost or incapacitated to the conflict. The July 2010 reappointment of Teresita Quintos Deles, a former teacher and activist, as presidential adviser to President Benigno Aquino and the 2012 appointment of Miriam Coronel Ferrer, professor and Nobel peace prize nominee in

2005, as the first woman chair of the government's negotiating team are highly symbolic in this regard.

This political commitment and goodwill is another distinct feature of the FAB. It is unclear whether President Aquino's pledge to invest in peace through this particular agreement will transition to the next presidency. As a result, his government is keen to implement and execute its terms before his term ends in 2016. The president will issue an Executive Order to create a Transition Commission comprising members selected by both the MILF and the government to draft a Bangsamoro Basic Law, which will be submitted to Congress for deliberation. The FAB envisions elections for a new Bangsamoro government in 2016 *before* elections in the Philippines.

Both the government and the MILF have stressed that the FAB is not the final step in the peace process; rather, it represents a momentous beginning to a long journey of partnership building among the many stakeholders. The process will no doubt be challenged by potential peace spoilers. To ensure credibility and sustainability of the peace process, immediate peace dividends must be reaped and seen to be reaped. The government recognizes that because the areas covered by the FAB remains the most underdeveloped with the lowest health, education, maternal and infant mortality indicators in the country, fast-track socio-economic development must be a priority, according to The Guardian report.[1]

Consequently, where central funding for the Autonomous Region for Muslim Mindanao was previously neglected, the region recently received the largest portion of the government's infrastructure budget between 2011 and 2013. Based on a Standard Chartered Bank research, in FY2013 Mindanao was allocated 26.1 percent of the national infrastructure budget with an additional PHP745.5m for infrastructure development and a PHP8b stimulus package. This budgetary boost is anchored by the FAB's commitment for the Bangsamoro to "create its own sources of revenues, as well as to have a just share in the revenues derived from natural resources," a nod to a more equitable wealth-generation and sharing arrangement between the central and Bangsamoro governments.

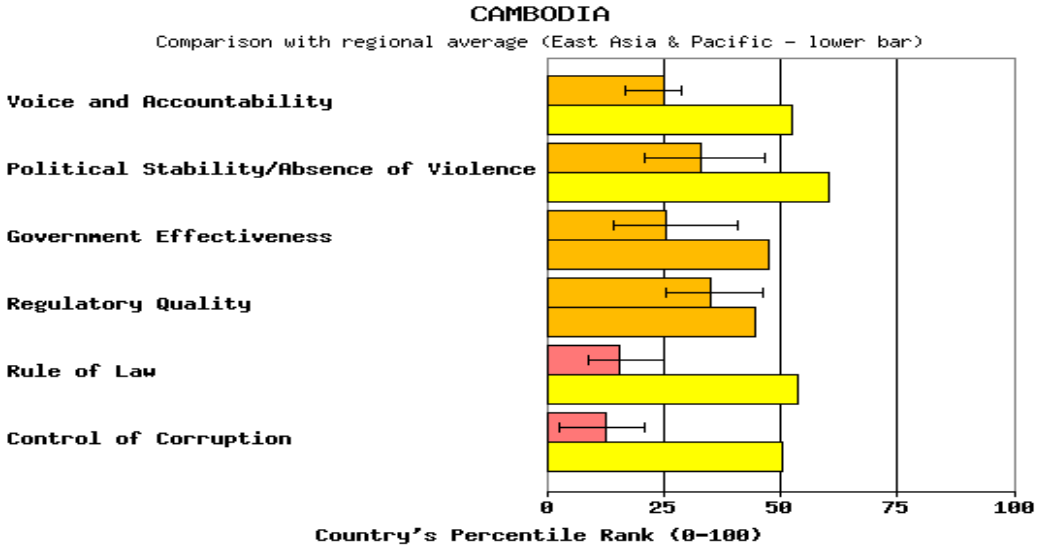
Whereas the FAB reflects a political commitment to establishing peace in the south, its terms reflect a substantive economic commitment to rebuilding and regenerating the previously marginalized area. Notably, the FAB marks the first time the peace process in the Philippines has received full support from the international community, including the United States and the Organization of the Islamic Conference.

The southern Philippines at a crossroads makes an interesting argument for what the quality of governance can do for the peace, security, and stability of a whole nation-state.

[1] Simon Tisdall, "Mindanao peace process has a lot to achieve within a tight time limit", *The Guardian*, 13 February 2013.

Cambodia

Among global rankings of good governance, Cambodia is almost universally regarded as having a weak government. Yet the picture is not totally bleak. Cambodia has experienced sustained economic growth for over a decade, including double-digit annual growth from the late 1990s up until the 2008 global financial crisis. And with the help of foreign aid, Cambodia has greatly improved its education and healthcare sectors, developed infrastructure, and taken advantage of its rich natural resources to create an export-led economy. Cambodia, however, remains one of the poorest states in Asia and its economic success and growth has largely been in spite of its government, not because of it.



Source: Kaufmann D., A. Kraay, and M. Mastruzzi (2010), The Worldwide Governance Indicators: Methodology and Analytical Issues
Note: The Worldwide Governance Indicators (WGI) are a research dataset summarizing the views on the quality of governance provided by a large number of enterprise, citizen and expert survey respondents in industrial and developing countries. These data are gathered from a number of survey institutes, think tanks, non-governmental organizations, international organizations, and private sector firms. The WGI do not reflect the official views of the World Bank, its Executive Directors, or the countries they represent. The WGI are not used by the World Bank Group to allocate resources.

The shortcomings of Cambodia's de facto authoritarian government are rooted in endemic corruption and a lack of political will to curb corruption. Cambodia has ranked among the 20 most corrupt countries for the past decade. Prime Minister Hun Sen, Cambodia's head of state for nearly 30 years and leader of the Cambodia People's Party (CPP), presides over a government where corruption is a way life and bribery is part of every transaction. Corruption siphons money away from all aspects of Cambodia's economy, skimming millions of dollars away from foreign aid, depriving people of property through government land seizures, and marginalizing profits from Cambodia's once promising logging industry.

Corruption and government mismanagement represent serious threats to the stability of Cambodia, undermine its position in ASEAN and the international community, and prevent further development, growth, and reform. Corruption stems from

a lack of political will among Cambodia's leaders to address the issue, due in large part to the CPP leaders having benefited greatly from it. While Cambodia's rural population faces systemic malnourishment and struggles to survive, its leaders flourish in lavish houses built off foreign aid and misused tax revenue. Corruption in Cambodia is further enabled by a lack of political and press freedoms in the country, preventing its leaders from being held accountable for their actions.

Hun Sen's government has paid lip service to international demands to address corruption. In 2010, the CPP-controlled National Assembly passed a long-stalled anti-corruption law, billed by its writers as a strong piece of legislation that would address Cambodia's excessive graft. The law, which was first drafted in the mid-1990s at the behest of foreign aid donors, was universally panned by human rights and anti-corruption groups as a toothless piece of legislation that contained no mechanism for enforcement and further entrenched corruption among Cambodian elites.

Barring an unexpected change of heart from its leaders, promoting good governance in Cambodia by constraining corruption, and encouraging a participative political process can only happen by exerting external pressure on the Cambodian government. This can largely be accomplished through foreign aid, diplomacy, and sanctions. And yet, Cambodia has received massive foreign aid payments since 1993 with few real strings attached. International donors continue to write checks without holding the Cambodian government accountable.

While many foreign aid donors have finally grown fatigued by Cambodia's failure to address corruption, a new, more forgiving donor in China has emerged as Cambodia's largest provider of foreign aid. Although Chinese aid primarily comes in the form of loans, some with considerable interest rates, there are few strings attached. Cambodia need only support Chinese claims in the South China Sea (SCS) to ensure a flood of cash from the Chinese government. This was evidenced most glaringly during Cambodia's chairmanship of ASEAN in 2012, during which many critics accused Cambodia of siding with China on SCS disputes.

Skilled diplomacy, and if necessary, sanctions, may represent the only ways to exert sufficient pressure on the Cambodian government to enact positive reforms and resolve its corruption problem while promoting political and press freedoms. Yet with so many global challenges, the biggest challenge to resolving Cambodia's issues of poor governance may prove to be that it is not quite enough of a challenge.

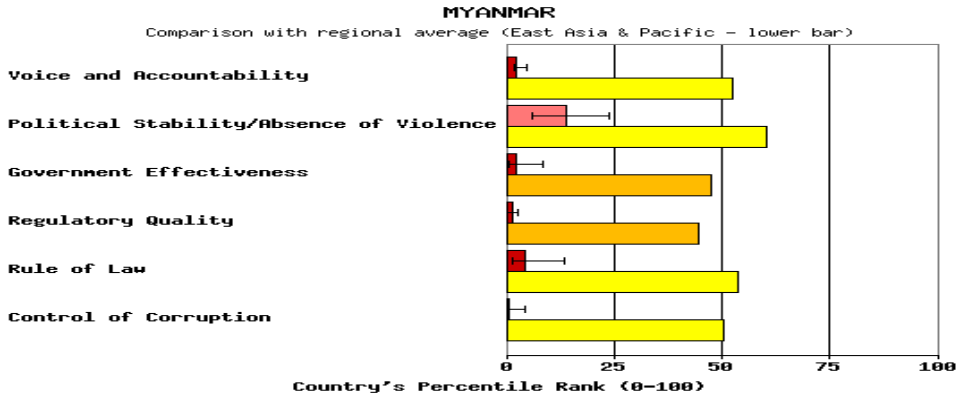
Many countries may simply lack the appetite for the sustained diplomatic and economic initiatives to bring about positive change in Cambodia. Cambodia is not a thorn in the side of the West. Its territory is not being used to harbor terrorists. Its government, however corrupt, is recognized by the international community and viewed legitimately by the Cambodian people. And the regime is not genocidal or committing crimes against humanity, as the Khmer Rouge did, which would warrant greater foreign intervention.

As we seek to identify the future drivers of conflict and what we can do now to address these drivers, one can look at Cambodia's failure to conform to certain aspects of good governance and extract several lessons. First, one must acknowledge the limited tools available to address poor governance that results from a lack of political will. No amount of internal capacity, infrastructure, and education can overcome leaders that have no desire to address their shortcomings.

Second, resignation over the difficulty of addressing such a challenge is unacceptable. Drivers of conflict, although seemingly minor now, must be dealt with before conflict is realized. Third, solving the problem of bad governance, stemming from a lack of domestic political will, requires political will from the international community. For the most serious challenges, the international community must adopt a three-pronged approach through foreign aid, diplomacy, and sanctions.

Myanmar

Myanmar is at political and economic crossroads where the ruling party – State Peace and Development Council (SPDC), which morphed into the Union Solidarity Development Party (USDP) in 2011 – can choose to lead the people of Myanmar out of extreme poverty or fall victim to the "resource curse." If the ruling party fails to improve governance through human capital upgrades, transparent management of foreign investments, and open dialogues among all ethnic groups, then recent reforms in the country will unlikely sustain; as a result, Myanmar is likely to experience further degradation in quality governance.



Source: Kaufmann D., A. Kraay, and M. Mastruzzi (2010), The Worldwide Governance Indicators: Methodology and Analytical Issues
Note: The Worldwide Governance Indicators (WGI) are a research dataset summarizing the views on the quality of governance provided by a large number of enterprise, citizen and expert survey respondents in industrial and developing countries. These data are gathered from a number of survey institutes, think tanks, non-governmental organizations, international organizations, and private sector firms. The WGI do not reflect the official views of the World Bank, its Executive Directors, or the countries they represent. The WGI are not used by the World Bank Group to allocate resources.

With the sharp increase in foreign investments and earnings from tourism, the USDP suddenly finds itself sitting on pots of gold without changing much of the status quo. Myanmar has experienced steady GDP growth since 2008, with an estimated GDP of $89 billion ending in 2012. Despite having a higher GDP than Cambodia, Myanmar has a lower quality of governance and a higher poverty rate.

From 1996 to 2011, the SPDC managed to increase political stability, while ignoring other indicators for good governance (see Worldwide Governance Indicators chart). According to the *CIA World Factbook*, more than 30 percent of people in Myanmar live below the international poverty line (i.e., less than $1.25 per day); it is about 20 percent in Cambodia. With a lack of corruption control, virtually no rule of law, and ineffective government and regulatory measures, Myanmar remains in the lowest 10th percentile compared to its regional neighbors.

Myanmar can be hit by the perfect storm – rapid earnings meet the corrupt and incompetent government – pushing the country toward the resource curse. If supply (earned wealth) and demand (good governance and quality of life) fail to strike a balance in the mid-term, then Myanmar will unlikely move forward with further reforms. Thus the international community must work with Myanmar on setting milestones to achieve its mid- to long-term vision and planning, while the USDP must search for ways to better manage earned supply and develop demand.

To develop demand, the government is responsible for raising basic standards of living for all citizens through good governance and fair distribution of income. Unfortunately, Myanmar's government structure will likely hamper reforms that foster good governance. For instance, until 2011 the SPDC – formerly the military junta – fully controlled its executive and judicial branch, and appointed military affiliates to occupy the majority of the country's legislative branch. According to the *CIA World Factbook*, approximately 75 percent of SPDC were "elected" to occupy the House of Nationalities and 80 percent in the House of Representatives. Since April 2012, USDP, the military-backed party, controls over 80 percent of the 664 seats in the Parliament.

With the military still having an iron grip over the country, Myanmar faces challenges not in lack of political will for reform, but in human capital. The problem with USDP (or former SPDC politicians) is rooted in its former military identity and thinking. The ruling party continues to employ people who lack respect for basic human rights (e.g., military junta and its affiliates who contributed to widespread human rights abuse, which include torture, rape, and ethnic cleansing), and lack knowledge of good governance. As the military continues to preserve its status by bestowing power to likeminded officials with poor character and qualities, policy making and implementation in Myanmar will continue to be dictated by the military in the foreseeable future. Any "reform" will be little more than mere concessions from the USDP to attract additional foreign investments that ultimately serve the greedy and corrupt ends of the military.

Thus far, a few financial incentives have moved some political and economic concessions. For example, Myanmar's President Thein Sein and the USDP have demonstrated will and power to reform in 2010. After more than two decades of military rule, the government opened dialogues with opposition leader Aung San Suu Kyi, reinstated Suu Kyi's opposition party National League for Democracy (NLD), deregulated the media, and expanded rights of citizens and workers. In a 2013 bilateral meeting with US President Barack Obama, President Sein promised to continue political and socio-economic reforms.

Looking ahead, the extension of military rule masked in civilian clothing makes positive reforms unsustainable without domestic and international organizations to check and hold Thein Sein and the USDP accountable. First, with changes to its foreign policy, Myanmar has sparked a gold rush where foreign investors and companies compete to establish themselves in Myanmar. The EU cleared way for its businesses to thrive in Myanmar by lifting sanctions, and the US is poised to boost ties with the country and may lift trade sanctions.

Second, the rush to Myanmar offers Thein Sein the opportunity to raise the quality of life for his people; at the same time, it can also accelerate the process of governance degradation if the government is unprepared and incompetent to rule. Third, foreign corporations do not always have the best mechanisms to ensure principals held at headquarters are implemented and enforced at the local level and thus can contribute to local corruption and lack of rule of law.

Finally, as international actors rush to engage Myanmar and gain the geopolitical and corporate competitive edge, without coordination and cooperation between all interested parties (e.g., various governments and international donors and investors, as well as domestic political parties and ethnic and religious groups) to uphold common standards and principals, President Thein Sein and the USDP will be able to cherry pick projects with the lowest number of political concessions. Due to the regional security environment, Myanmar is now positioned to choose its benefactors and rapidly gain on the supply-side while ignoring its demand-side.

Conclusion

States endure poor governance for a variety of reasons including lack of capacity, internal or external conflicts, economic failures, and in some cases, lack of political will. The resulting failures stemming from poor governance manifest in many forms with varying degrees of severity and impact. No state governs perfectly, yet there are basic standards of governance that states must conform in order to comply with international norms and provide for the common good. The key to enhancing governance is to realize there is no cookie-cutter solution for all. Therefore it is essential for policymakers to identify problem areas and ways to promote good governance in their respective states and to develop a tailored approach to each state’s conditions. The first step toward maintaining regional peace and stability is preventing negative externalities generated by poor governance to spill over to surrounding states.

This paper offers the following recommendations based on our case studies:

1. Government commitment to (re)constructing and rehabilitating the physical and institutional infrastructure in a conflict area is key to reducing the socio-economic grievances that feed resentment, tensions, and violence. For peace to be tangible there must be development. When parties to a conflict have access to land that can be cultivated for crops to grow and be harvested, they have access to a self-sustaining livelihood for themselves, their family, and their community. Peace appears real and worthwhile.

2. Political will and buy-in by all the relevant stakeholders to a conflict across the ethnic and ideological board are essential. Engagement not only builds a credible and sustainable government but also upholds its legitimacy. It further ensures the success and effectiveness of institutional infrastructure. Stakeholder inputs will assure that services and systems befit the local community context as well as vest personal interest in success for the long-term. Concerted outreach also minimizes the role and impact of peace spoilers as the peace process unfolds.

3. Identify which levers to pressure and how to enact pressure to affect desired change. In the case of Cambodia, for example, the international community must pressure Hun Sen and the CPP to address corruption which can best be accomplished by making foreign aid payment contingent on progress in fighting corruption.

4. Infrastructure and institutional development are areas in which neighboring governments and non-governmental organizations can play a role – from ceasefire monitoring to training, capacity-building, and investment – to empower the affected local community to transform their own lives. However, as international developmental aid and assistance pour in to help rehabilitate and reconstruct the South, it is crucial that this support is sensitive to local needs and context.

5. Foreign aid donors must insist on transparency and accountability on the part of beneficiaries. Donors cannot write a blank check without holding recipients accountable for results. If a recipient government proves unwilling to properly manage donations, donors should provide aid in the form of education, training, and services, as opposed to money and goods.

6. Good policy implementation comes from the bottom-up. A country needs to have quality politicians to adopt the right policies and have morally upright officials to implement them. In Myanmar, given the country's government structure and human resources, it is clear that change is unlikely without support of the president and the ruling party. Therefore, to enhance governance, the fundamental structure and thinking in Myanmar must change through reeducation of current and future leaderships. A government filled with administrators trained for military operations is unlikely to foster structural change and good governance.

7. The international community can foster good governance by building policies into its investments. For example, all foreign investments must have a certain percentage that contributes to a country's or a reconstructed region's health and education programs. No corporation can be exempt from doing business there without setting aside money for the local community. This practice will become a part of responsible corporate practices.

8. To promote responsible corporate practices in a post-conflict area, investing governments should regulate businesses and hold businesses accountable when they do not adhere to common principals and do not have social licenses to operate. Investing governments must hold corporations accountable by mandating proof of corporate contribution to the education and health programs in host countries. Failure to demonstrate such evidence should result in government shutdown of business operations in the country.

9. Foreign investments and donors must coordinate by setting and enforcing common principals and integrating responsible business practices. For example, an umbrella organization may be created in Myanmar. Various NGOs and government organizations doing business and working on aid should be streamlined. Only investments and projects with social licensing built-in at the beginning of the project can be approved by the investing and host governments, and by the umbrella organization.

10. In the case of large corporations investing in countries such as Myanmar, a de-centralized operations system is recommended. To ensure transparency and accountability, there must be internal auditors that monitor local operations with external auditors as oversight. Regular internal reporting of progress and conditions, e.g., profits from business operations and a percentage of profits contributing to reconstruction programs, must be issued.

Stable Competitive Innovation: Policies to Maintain Stability while Competing in Military Technology in Northeast Asia

By Yuanzhe Ren, Phillip Schell, and Peter Yemc

"If we continue to develop our technology without wisdom or prudence, our servant may prove to be our executioner." - Omar Bradley, General of the Army, US Army, 1948.[1]

Despite the wisdom of this oft-referenced quotation, technological innovation remains an ever-present force in state security decision-making. New technologies, when applied to the security realm, can lead to changes in strategies and arms races. The same technological innovation, when applied to their use, can spur new opportunities for cooperation with an aim at stability and conflict prevention. Such possibilities can be seen in the application of three technologies in Northeast Asia.

This study focuses on three general categories of military technological innovation:

- Cyber capabilities – offensive as well as defensive
- Non-nuclear strategic conventional long-range precision strike weapon systems – weapon system that have the capability to target and damage national strategic assets with conventional means
- Unmanned vehicles – remotely operated or autonomous vehicles that take advantage of innovations in robotics, communication, and systems engineering

Unmanned vehicles and conventional long-range precision strike systems have been identified for this analysis because these technologies have emerged as complicating factors for regional stability in Northeast Asia and will continue to have strong potential to increase military tension. At the same time, these systems have the capability to foster dialogue among the major stakeholders in Northeast Asia for strengthening regional stability and conflict prevention.

Northeast Asia is an arena where the possibility of localized conflicts augmented by technological innovation is already unfolding; however, it also offers real opportunities for cooperation. Two trends are visible in Northeast Asia. First, the region is becoming ever more important to the world economy. The People's Republic of China has for a number of years been driving this development, adding to the economic influence already exerted by Japan and South Korea. Second, classic security problems remain evident in Northeast Asia. North Korea is believed to be in possession of nuclear weapons or already has acquired the necessary components and is moving toward mating a warhead with ballistic missiles. As a result, stability in the region is perceived as increasingly threatened, in South Korea and Japan in particular. Public opinion polls in

[1] Omar Bradley, "Collected Writings, Volume 1," from Armistice Day Speech, Nov. 11, 1948.

South Korea already show the public favors possessing its own nuclear deterrent.[2] At the same time, countries in the region are pressing ahead with conventional armament. These risks that weak states pose to themselves and others are growing.

Hence, while more and more market economies are emerging, a multitude of security problems in the region remain unresolved. Northeast Asia has the highest growth in armament and military expenditures. The rates of increase of national defense budgets in recent years have run between 10 and 19 percent.[3] Identifying and solving unresolved security problems in Northeast Asia will create stable relationships within the region.

As with any situation involving interaction between states, the role of new technologies in national security leads to questions in calculation between states. As evidenced by classic examples such as battleships and ballistic missiles, states try to achieve an imbalance in their favor. Eventually, a threshold is crossed which leads states to rethink the role of the new technologies. Such is the case with the technologies noted in this study. States will always seek out national interest first – which has usually been manifested in arms races to achieve imbalance in their favor. This study does not deny that this will remain the primary thought in regards to new technology and they will not be easily dissuaded. However, even as states compete to obtain an advantage, there is still an interest in regional volatility. This study proposes that new technologies create their own opportunities to promote stability and to manage conflicts when they emerge.

Cybersecurity

Background

The pervasiveness of computer networks and advanced information technologies has changed our growth model and revolutionized the capabilities of military and intelligence forces. But it has also made our infrastructure more susceptible to cyberattacks. Almost all political and military conflicts now have a cyber-dimension. As the former US Secretary of Defense Leon Panetta declared: "[W]hen it comes to national security, I think this [i.e., cyber warfare] represents the battleground for the future."[4] However, there are few rules in this new global domain about the responsibilities of nations to prevent and respond to cyberattacks within their borders. Former Deputy Secretary of Defense William Lynn warned that "cyber-attacks could have catastrophic effects."[5]

---

[2] Mark Hibbs, "Will South Korea Go Nuclear?" *Foreign Policy*, March 15, 2013, http://www.foreignpolicy.com/articles/2013/03/15/will_south_korea_go_nuclear.
[3] Sam Perlo-Freeman et al., "Trends in World Military Expenditure, 2012, SIPRI Fact Sheet, April 2013, http://books.sipri.org/files/FS/SIPRIFS1304.pdf.
[4] "Cybersecurity 'battleground of the future,'" *United Press International*, Feb. 10, 2011, available at http://www.upi.com/Top_News/US/2011/02/10/Cybersecurity-battleground-of-thefuture/UPI-62911297371939/, accessed on Jan. 10, 2012.
[5] William J. Lynn III, "Defending a New Domain: The Pentagon's Cyberstrategy," *Foreign Affairs*, September/October 2010.

In the upcoming decade, countries could be fighting on an electronic battlefield against malicious hackers and foreign governments dedicated to espionage, corporate theft, and asymmetrical warfare. The astonishing achievements of cyber espionage demonstrate the high return on investment to be found in computer hacking, which lowers barriers to action and increases the chance of countries or non-state actors conducting cyberattacks. In the future, countries will prepare for and face a new, asymmetric war in cyberspace. Cybersecurity has become one of the most important but least understood emerging flashpoints in global security. Cyber capabilities, an emerging technological innovation, have already cast a dark shadow on the peace and stability in Asia.

Impact on Northeast Asia

Cybersecurity can involve protection against acts of espionage, criminal activities, and economic warfare. It can also include actions designed to support military operations at the tactical and operational levels of war, as well as independent operations designed to achieve strategic effects. In fact, increasing dependency on cyberspace by countries in Northeast Asia has become a significant risk. In today's interconnected world, no nation is immune from cyberattack. If a nation is attacked, the impact will not be confined to that country. The damage can spread throughout the region as well as globally. Major countries in Northeast Asia consider taking cyber weapons and cybersecurity seriously as one of the top national security challenges.

Japan

Japan has a high-tech culture and is receiving more and more visible cyber threats via the Internet. The Japanese government established the National Information Security Center (NISC) to coordinate government efforts on cybersecurity. Below it are four government agencies that cover different areas and shoulder diversified responsibilities: National Policy Agency (NPA), fighting cyber crimes; Ministry of Internal Affairs and Communications (MIC), implementing communication and network policies; Ministry of Economy, Trade and Industry (METI), working on IT policies; Ministry of Defense, in charge of national security.

Additionally, the Japanese government has made great progress in updating laws. On June 10, 2013 the Japanese government adopted the *Cybersecurity Strategy* to replace the *Information Security Strategy for Protecting the Nation*, which was crafted in May 2010 and expires in March 2014. This is the first time for Tokyo to employ the word "cybersecurity" in its strategy to deal with information security issues and cyber threats to its national interests. The strategy aims to develop a "world-leading," "resilient," and "dynamic" cyberspace and make Japan a global leader in cybersecurity. [6] The *Cybersecurity Strategy* presents Tokyo's determination to deal with growing cyber threats. At the same time, Japan has incorporated domestic and international resources, not only to send a positive signal to developed countries, like the US, but also strengthen

[6] Information Security Policy Council, "Saiba sekyuriti senryaku [Cybersecurity Strategy]," June 10, 2013, http://www.nisc.go.jp/active/kihon/pdf/cyber-security-senryaku-set.pdf

cooperation with developing countries such as those in ASEAN.

South Korea

South Korea had the third-highest number of malicious codes detected on computers last year. To prevent more cyberattacks from being launched against government computer systems, South Korea has attached great importance to cyber security. The South Korean Ministry of Science and Technology says that the government is prepared to spend 10 trillion won ($8.77 billion) through 2017 on cybersecurity. It also plans on training 5,000 experts to guard the country's networks against cyber threats.[7]

The National Cyber Security Center (NCSC) is the central point of government for identifying, preventing, and responding to cyber-attacks and threats in South Korea. Most important, as tensions on the Korean Peninsula rise, South Korea faces numerous cyberattacks from North Korea, which is said to have around 3,000 cyber warriors. The South Korean government must prepare for cyberwar against the North. Recently, most of the major attacks against South Korea have been launched by a group called DarkSeoul, Symantec experts say. It's uncertain if DarkSeoul is sponsored by North Korea, but researchers say they're definitely backed by a nation-state.

China and the US

Given the size of its economy and its reliance on computer networks, the US arguably has more to lose in a cyberwar than any other state, and certainly more than any non-state entities. In 2009, President Obama declared that the "cyber threat is one of the most serious economic and national security challenges we face as a nation" and that "America's economic prosperity in the 21st century will depend on cybersecurity."[8] After that, the US government has issued enormous reports, recommendations, and legislations on cybersecurity.[9]

From the Chinese perspective, cyber weapons could be linked with nuclear weapons. Just as nuclear warfare was the strategic war of the industrial age, cyberwarfare has become the strategic war of the information era, a form of battle that is massively destructive and concerns the life and death of nations. Cyber weapons would join nuclear weapons as the only other weapons with the ability to inflict prompt, catastrophic damage. China is a staunch supporter of cybersecurity, opposes hacker or cyberattack in all forms, and is itself a victim.

---

[7] "South Korea beefs up cyber security," *Economic Times*, July 4, 2013, http://articles.economictimes.indiatimes.com/2013-07-04/news/40372064_1_cyber-security-cyber-security-major-cyber-attack

[8] "Remarks by the President on Securing our Nation's Cyber Infrastructure," May 29, 2009, http://www.whitehouse.gov/the_press_office/Remarks-by-the-President-on-Securing-Our-Nations-Cyber-Infrastructure

[9] Such as "Cyber Policy Review," "Comprehensive National Cybersecurity Initiative," "Cyber Crime," "Cyber Security Act of 2012."

The United States and China are the two most significant national players in cybersecurity. However, these two states have very different views on the future of the sphere. On the one hand, the US always regards China as an aggressive actor in cyberspace. According to a large amount of Western analysis, China has a greater interest in using cyberspace offensively than other actors, such as the United States, since it has more to gain from spying on and deterring the United States than the other way around. Opinions among both the US popular and elite levels believe that China poses a multifaceted cyber threat to the US, which has a larger government-directed component. The US government names China as the most active and persistent perpetrator of cyber intrusions into the United States.

On the other hand, many believe that China's cyber systems are more vulnerable than those of the US. Chinese officials often describe China as the victim of just as many attacks from other states. They also assert that most attacks on Chinese computers originate in the United States. While the numbers are arguable, it is undeniable that a large number of malicious Internet activity emanates from or at least move through the US to China. Furthermore, certain actors in United States and Western countries have an interest in overestimating China's capabilities in cyberspace to maintain their budget.

In recent years, there have been a large number of incidents between the two countries. For example, in 2009, there was a forced electronic entry into the Joint Strike Fighter program, and a large amount of data was copied. According to present and former employees at the Pentagon, the attack can be traced to China.[10] Analysts say that China could have the most extensive and aggressive cyber warfare capability in the world and that this is being driven by China's desire for "global-power status." To some extent, cyber ability could give China a powerful asymmetric opportunity in a deterrence strategy.

There is growing distrust between China and the US in the cyber realm, which will easily spill over into broader assessments of the other country's long-term intentions.[11] Therefore, tackling distrust between China and the US in cyberspace will have a fundamental influence on the future security of Northeast Asia.

Ways for Cooperation

As the title of our team, "innovating military technology for stability," shows, we firmly believe the same technological innovation can also create new opportunities for stability and conflict prevention in the Asia-Pacific region. As US Secretary of Defense Chuck Hagel stated in his speech in the Shangri-La Dialogue: "The U.S. and all nations in the region have many areas of common interest and concern in cyberspace, where the threats to our economic security, businesses and industrial base are increasing. In response, the United States is increasing investment in cybersecurity and we are

[10] "US: Cyberspies Attack Joint Strike Fighter Project – Report," *Stratfor*; "Computer Spies Breach Fighter-Jet Project," *Wall Street Journal*, April 21, 2009.
[11] Kenneth Lieberthal and Wang Jisi, "Addressing US- China Strategic Distrust," Brookings Institution, John L. Thornton China Center Monograph Series, Number 4, March 2012.

deepening cyber cooperation with Allies in the region and across the globe."[12] In the region, more cooperation and coordination could emerge in the cyber domain.

Countries in the region should pledge to promote the establishment of a fair, democratic, and transparent global internet management mechanism mainly through the United Nations, to build a peaceful, secure, open, and cooperative cyberspace. The mechanism should set a clear standard for legal and illegal cyber activities, and all countries, no matter whether they are developing or developed countries, may enjoy equal footing in it. Major countries in Northeast Asia should develop international cooperation on cyber defense and deterrence against cyber terrorism. They need to reach a common definition of cyber terrorism and try to realize international legal arrangements against it. Since cyber terrorism is a growing concern for the whole international community, more nations may be invited to multilateral agreements and cooperation.

Both sides should expand engagement and make full use of the cooperation platform. China and the US have developed unofficial Track 2, official Track 1, and the new variety of "Track 1.5" dialogues. The two countries need to have more engagement through those platforms and strengthen dialogue, coordination and cooperation through the established cyber working group, which build mutual confidence and help remove barriers between the two countries in their sphere. At the same time, a multilateral platform on cybersecurity should be established in the region. For example, the CSCAP cybersecurity study group has become more important in this context. In the future we may see more discussions in the mechanism and new platforms emerge.

Barriers remain, in particular, the distrust among major Asia-Pacific countries. An arms race has begun in the region. Industry analysts at IHS Jane's, a global defense market research company, forecast that annual spending on drones in the region will quadruple between 2011 and 2016, going from approximately $500 million to $2 billion. More military spending does not represent more security. The region has been dragged into serious security dilemmas while a lack of political will from all sides lowers cooperation.

Non-Nuclear Advanced Long-Range Strike Weapons

Non-nuclear advanced long-range strike weapons such as conventionally capable ballistic missiles is an important factor contributing to the erosion of the operational boundary between strategic nuclear and conventional forces. This development has been given added impetus by the US Strategic Command's Prompt Global Strike initiative, which envisions the deployment of conventionally armed strategic launchers – including submarine-launched ballistic missiles carrying non-nuclear munitions – to perform roles and missions currently assigned to nuclear weapons. In addition to modifying existing systems, defense planners in the United States and elsewhere are also pursuing new types of conventional weapons, such as conventionally armed ballistic- and cruise missiles,

[12] "The US Approach to Regional Security," Speech delivered by Secretary of Defense Chuck Hagel, Singapore, Saturday, June 1, 2013.

with strategic capabilities.[13]

Advanced conventional precision strike systems play an increasingly important role for defense planners of emerging powers in Northeast Asia. Experts in South Korea and the United States argue that the development of such technologies increases their national security and thus also strengthens stability within the region. Objectively, however, this improvement of one state's security is often perceived as jeopardizing regional stability in a zero-sum setting. China increasingly echoes Russia's concerns vis-à-vis US long-range precision-strike capabilities. At the same time, Beijing is developing its own conventional medium-range ballistic missiles, which are also believed to have an anti-ship capability. South Korea announced that it is modernizing and expanding the range of its conventional ballistic- and cruise missiles in response to threats from North Korea.

Impact on Northeast Asia

The United States

In its 2010 Nuclear Posture Review (NPR), the United States argued that improvements in its conventional capabilities enable Washington to reduce reliance upon and salience of nuclear weapons. According to the NPR, this process not only enables the United States to meet its obligation under Article VI of the NPT, but also reinforces strategic stability vis-à-vis Russia and China.[14] However, within the context of the traditional United States–Russia strategic dyad, the emergence of such technologies indicates persisting divergent perceptions of what constitutes "strategic stability" between the two countries. While Russia is concerned about the potential threat posed by such systems to the survivability of its strategic nuclear forces, Moscow further suggests that a conventionally armed ballistic missile could be confused with a nuclear first strike if it is launched over a polar flight path, or that it could be used in a disarming first strike.[15] None of these weapon systems will be available in the near term; however, the impact of maturing strategic conventional offensive weapon systems is also visible in other regional strategic security architectures. Long-range conventional strike systems, among other technologies, have already emerged as complicating factors in achieving or maintaining regional stability, and these are likely to intensify as military capabilities improve over time.

[13] Amy F. Woolf, "Conventional Prompt Global Strike and Long-Range Ballistic Missiles: Background and Issues, CRS Report for Congress, April 26, 2013, http://www.fas.org/sgp/crs/nuke/R41464.pdf.
[14] "Nuclear Posture Review Report," United States Department of Defense, April 2010, http://www.defense.gov/npr/docs/2010%20nuclear%20posture%20review%20report.pdf.
[15] "Deputy Minister Antonov on Prompt Global Strike in Geneva," PIR Center, 17 May 2013, http://www.pircenter.org/en/news/6452-7022987.

China

China has relatively small nuclear forces and may feel vulnerabilities resulting from improved US conventional long-range strike weapons more acutely than Russia. Beijing's concerns about maintaining a credible second-strike capability can be closely linked to advances in non-nuclear strategic weapon systems, in particular by the United States. China will continue to develop strategies and technologies to counter evolving conventional threats.[16]

At the same time, China has its own conventional medium-range ballistic missile program and has deployed the dual-capable (i.e., both conventional and nuclear-capable) DF-21 MRBMs and DF-15 short-range ballistic missile (SRBM). The program largely originated from US deployment of precision-guided weapons during the first Gulf War followed by a significant re-evaluation of the Second Artillery's strategic concept.[17] At the time, China viewed its naval and air force capabilities as deficient and the PLA needed an alternative "asymmetric" method to address US conventional superiority. As a result, China's Central Military Commission decided that a capable conventional ballistic missile program should become a vital component of its deterrence policy.[18] China's latest defense white paper reflects this position: "The PLA Second Artillery Force (PLASAF) is a core force for China's strategic deterrence. It is mainly composed of nuclear and conventional missile forces and operational support units, primarily responsible for deterring other countries from using nuclear weapons against China, and carrying out nuclear counterattacks and precision strikes with conventional missiles."[19]

The PLA has repeatedly emphasized that while nuclear-armed missiles can prevent the outbreak of nuclear war, only a modern force of conventionally armed missiles can contest China's regional adversaries and cause the United States to refrain from entering in any confrontation. Chinese defense planners have "equated nuclear-armed missiles to a "shield" and conventional missiles to a "sword."[20]

This analysis highlights the importance of perceptions. While China perceives its conventional ballistic missile program as stabilizing, as it strengthens the country's nuclear no-first-use policy, analysts have argued that such capabilities would unbind the Second Artillery from the constraints imposed by the same policy. Moreover, some experts believe nuclear and conventional missiles are on the same bases. Mixing

[16] Hu Side, [The road towards China's nuclear weapons], *Huánqiú kēxué*, No. 12, 2007, (in Chinese).
[17] The Second Artillery is in charge of China's nuclear arsenal and all land-based missiles; Michael Chase, Andrew Erickson, 'The Conventional Missile Capabilities of China's Second Artillery Force: Cornerstone of Deterrence and Warfighting,' in: *Asian Security*, Vol. 8, Issue 2, 2012.
[18] See: John W. Lewis, Xue Litai: 'Imagined enemies: China prepares for uncertain war,' Stanford, 2006.
[19] "The Diversified Employment of China's Armed Forces," Information Office of the State Council, the People's Republic of China, April 2013, http://news.xinhuanet.com/english/china/2013-04/16/c_132312681.htm.
[20] John W. Lewis, Xue Litai: 'Imagined enemies: China prepares for uncertain war,' Stanford, 2006; Michael Chase, Andrew Erickson, 'The Conventional Missile Capabilities of China's Second Artillery Force: Cornerstone of Deterrence and Warfighting,' in: *Asian Security*, Vol. 8, Issue 2, 2012.

conventional and nuclear missiles poses a critical risk of mistaken escalation of a conflict, as an adversary would not be able to distinguish whether the missile fired is armed with a conventional or nuclear warhead.[21]

South Korea

South Korea is also actively improving its conventional ballistic and cruise missile capabilities. While South Korea's cruise missiles are not limited to any restrictions, in October 2012, Seoul announced that it would implement new ballistic missile guidelines. Under the new guideline, the maximum range and payload of South Korean ballistic missiles will be extended to 800 km with a payload of 500 kg, giving Seoul the capability to strike any target on North Korean territory and northeastern China.[22] The new guidelines are a revision of South Korea's voluntary decision to limit its ballistic missile capabilities according to Missile Technology Control Regime (MTCR) limits of 300 kg range and 500 kg payload, made in 2001 when South Korea joined the MTCR. Prior to 2001, South Korean ballistic missiles were only allowed to have a maximum range of 180 km with a 500 kg payload, as part of the 1979 US-ROK military agreement. South Korea has been interested in extended ballistic missile ranges since the early 1990s when North Korea was testing its medium-range *Nodong*. However, the United States had declined previous South Korean requests.[23]

Non-proliferation advocates are afraid that the new guidelines will increase instability and fuel regional arms race dynamics. On the other hand, analysts argue that many South Koreans remain dissatisfied because they feel Seoul should have no limits on ballistic missile ranges or payloads. In South Korea, limitations on its missile program imposed by others are often perceived as a loss of sovereignty. Consequently, the revised guidelines have broad public support, as they are perceived as necessary to deter North Korean provocations.[24]

Zero-sum game or regional stability?

The United States, China, and South Korea are actively modernizing and expanding their conventional precision strike missile capabilities most prominently by

[21] Some analysts also believe nuclear and conventional DF-21 missiles are mixed at the same bases. See Lewis, J. W. and Xue L., 'Making China's nuclear war plan,' *Bulletin of the Atomic Scientists*, Vol. 68, No. 5 Sept./Oct. 2012. Other analysts believe nuclear and conventional missiles are deployed at separate bases.

[22] [Revised Missile Guidelines], Ministry of National Defense, Republic of Korea, 7 October 2012 (on Korean), http://www.mnd.go.kr/mndMedia/carryData/carryData_1/20121007/1_-20430.jsp?topMenuNo=1&leftNum=12.

[23] Daniel Pinkston, "South Korea's New Ballistic Missile Guidelines: Part II, International Crisis Group, Nov. 22, 2012, http://www.crisisgroupblogs.org/strongandprosperous/2012/11/22/south-koreas-new-missile-guidelines-part-ii/.

[24] Daniel Pinkston, "The New South Korean Missile Guidelines and Future Prospects for Regional Stability," International Crisis Group, Oct. 25, 2012, http://www.crisisgroupblogs.org/strongandprosperous/2012/10/25/the-new-south-korean-missile-guidelines-and-future-prospects-for-regional-stability/.

developing conventionally capable ballistic and cruise missile capabilities. Force planning trajectories show the role such weapon systems play in national security calculations and regional stability will become increasingly important over time.

All three countries claim that developing conventional precision strike weapons and adjusting their strategies accordingly increases stability and avoids conflict. In the 2010 NPR, defense planners in the United States argue that maturing non-nuclear, long-range precision strike systems will result in less reliance on nuclear weapons and make a significant contribution to nuclear disarmament. China argues that its conventional ballistic missile program strengthens its no-first-use policy and gives the PLA an asymmetric capability to balance against US military superiority in Northeast Asia. Similarly, South Korea views its own extended conventional missile capabilities as necessary to deter North Korean provocation and prevent the outbreak of conflict.

While these arguments appear resonant among national governments and defense planners, ultimately the perceived additional security and stability provided by such weapon systems appears to be of a subjective nature and comes at a cost of other states' sense of security. Such perceptions risk jeopardizing regional stability in a zero-sum scenario and have already triggered regional arms race dynamics. All three countries covered in this overview openly state that conventional ballistic missiles are asymmetric capabilities, which open up additional areas for actions and contingencies. But for conventional weapon systems, the mainstream perception is that thresholds are lower than in nuclear deterrence relationships. These developments present a danger of conventional military confrontation.

The way ahead

The emergence of conventional precision strike systems is increasingly important and underscores the need for more constructive dialogue on conventional military issues. Necessary frameworks exist. China and the United States engage regularly in strategic discussion focused on nuclear deterrence. Although these exchanges are often guided by distrust and misunderstandings, some channels for exchange have been established.[25] At the same time, the United States and China have not yet developed mutual understandings on basic principles in the conventional military realm.[26] Existing frameworks should be expanded on both ends to include all regional stakeholders in Northeast Asia, and in scope to include the conventional military realm.

These discussions should aim to identify and assess obstacles to achieving or maintaining strategic stability in Northeast Asia characterized by an increasingly complex and ambiguous mix of strategic nuclear and conventional forces. In particular, it is

[25] See: Gregory Kulaki, "Chickens Talking With Ducks: The US-Chinese Nuclear Dialogue," Arms Control Association, October 2011, http://www.armscontrol.org/act/2011_10/U.S._Chinese_Nuclear_Dialogue.

[26] Li Bin, "China and the US missile defense in East Asia," Proliferation Analysis, Carnegie Endowment for International Peace, Sept. 6, 2012, http://carnegieendowment.org/2012/09/06/china-and-new-u.s.-missile-defense-in-east-asia/drth.

essential to examine specific concerns in nuclear-weapon possessing states in the region – China, the United States, but also North Korea – about potential vulnerabilities in their current nuclear deterrence postures arising from new or enhanced-capability conventional weapon and sensor systems. This should be coupled with an effort to evaluate how all states in the region are likely to respond to a competitor's acquisition of such systems in terms of political reactions and adjustments the size, composition, and operational deployment of their military forces.

Developing mutual understanding on basic principles in the conventional military realm in Northeast Asia has the potential to both ease tensions and establish a regional comprehensive dialogue framework on issues pertinent to regional stability and cooperation; globally, such a framework would give new impetus to the global conventional and nuclear arms control and disarmament agendas.

Unmanned Vehicles

The emergence of unmanned vehicle technology over the past two decades has inserted a new capability into the calculus of military commanders. As best exemplified in the actions of US forces in Iraq and Afghanistan, "drone" technology has provided military forces a new surveillance and strike capability, altering combat. Unmanned vehicle technology has grown to include truly automated vehicles, as well as seaborne and land-based vehicles. While development may have been undertaken by technological leaders, unmanned vehicles have become part of global defense purchases.

Unmanned vehicle technology changes strategies in several ways. First, by not endangering human pilots, unmanned vehicles open options for decision-makers – formerly risky surveillance and strike efforts are now less risky. Second, unmanned vehicles provide a persistent and difficult-to-detect surveillance capability, changing the effectiveness of denial and deception, and increasing the possibility of violation of sovereign airspace. Lastly, once developed, this technology can enable countries to cheaply obtain capabilities usually handled by far more expensive systems, closing gaps between rival capabilities. While this technology was initially only in the hands of the larger powers, now it has spread to most states (even possibly to non-state actors[27]), allowing for cheaper power projection, and inserting a new factor into states' security calculi. The lowered risk that the technology allows may lower the threshold to use it.

Impact on Northeast Asia

Nowhere is this more evident than in the Northeast Asia, where the growing defense expenditures are leading to increased purchases of unmanned vehicles.[28]

[27] Isabel Kershner, "Israel Shoots Down Drone Possibly Sent by Hezbollah," *The New York Times*, April 25, 2013, accessed May 10, 2013, http://www.nytimes.com/2013/04/26/world/middleeast/israel-downs-drone-possibly-sent-by-hezbollah.html

[28] Bhavan Jaipragas, "Drone Makers Cashing in as War Tactics Evolve," *Agence France-Press*, Feb. 26, 2012, accessed May 10, 2013,

According to a study by market research firm Frost & Sullivan, the overall Asia-Pacific region, to include Northeast Asia, is the second largest purchaser of UAV technology.[29] While not yet necessarily a "drone" arms race, the willingness of these states to use the options this technology provides could have the potential to exacerbate a tense situation and lead to miscalculation. However, the changes the technology has created in security calculus, and its potential for peaceful applications, can create opportunities for cooperation and de-escalation within the Asia-Pacific region.

Rules of Engagement

One of the great advantages of the unmanned vehicle is its ability to conduct surveillance for a longer period of time. This permits a military to maintain more persistent visibility on its area of responsibility. Drones are already used among many navies involved in territorial disputes (Senkaku/Diaoyu). These disputes have the potential for miscalculation by armed vessels responsible for patrolling. Greater use of unmanned surveillance could increase the awareness of competing navies' (and civilian fleets') activities, increasing the time leaders have to manage potential flashpoints. As national leaders do not wish to have conflict because of decisions at the local level, effective use of unmanned vehicles would have to include discussion and rules of engagement for vessels that encounter these vehicles. While these rules could fall within agreement about general naval rules of engagement, as this is a *new* technology, states could argue that it requires new understandings and agreements. Would states consider the rules of engagement the same for manned aerial vehicles as they would for unmanned?

Coordinated Development

As with any technological innovation, the initial developments of unmanned vehicles came from those states and institutions with the funding and scientific capacity to support such innovation. Now that the base technologies have been developed and the technology's utility has been established, smaller states and institutions can take up improving on the concepts. Certainly a technology with military applications will lead to some level of state development competition in the national military sphere. However, due to the civilian applications and the dual-use nature of technology, private sector and academic institutions will take a leading role. This opens the opportunity for states to support cooperation between research institutions, linking success to cooperation and fostering Track 2-like relationships at the scientific and business levels.[30] This cooperation can be seen in the development of underwater unmanned vehicle technology, where scientific experts from states with rival territorial claims cooperate and trade ideas

---

http://www.defensenews.com/article/20120226/DEFREG03/302260001/Drone-Makers-Cashing-War-Tactics-Evolve

[29] Guy Martin, "Asian region UAV capability on the rise," *Defense Review Asia*, Dec. 20, 2012, accessed May 10, 2013, http://www.defencereviewasia.com/articles/195/Asian-region-UAV-capability-on-the-rise

[30] International Symposium on Underwater Technology 2013, University of Tokyo, Tokyo, Japan, March 5-8, 2013, accessed May 10, 2013, http://seasat.iis.u-tokyo.ac.jp/UT2013/

pertaining to this technology's improvement at regional conferences.[31] National policies promoting and funding this cooperation could lead to more productive relationships between potentially competitive states, as well as foster ties which could mitigate conflict and arms races (in this technology).

Peaceful Cooperation

In the immediate aftermath of the 2011 Tohoku disaster in Japan, US unmanned vehicles were used to survey disaster areas and proceed into the Fukushima disaster area.[32] In the Asia-Pacific region, disaster response and mitigation is a primary responsibility of national military forces. Unmanned technology provides another tool in this discipline, opening new areas of cooperation. Provision of this capability to neighboring states in need could allow states to cooperate in disaster response without having to place troops on the ground where this might be politically untenable. Inserting unmanned vehicles into multinational disaster response exercises would enable states to share understanding of the technology's level of development, offering a way to limit concerns about technological gaps and arms races.[33] Disaster mitigation cooperation utilizing unmanned technology could be undertaken by Asian countries, such as Japan and the island of Taiwan, who already use underwater sensors for tsunami detection.[34]

Can Technologies Create New Areas of Cooperation?

The case studies illustrate three different categories of emerging advanced conventional military technologies with significantly diverging sets of implications. It is therefore impossible to provide concrete policy recommendations that would apply to both technology categories covered in this analysis. Despite their potential to bring on or exacerbate conflict in Northeast Asia, these technologies also introduce opportunities for states, even competing states, to engage to increase stability. And while a given technology may have specific activities linked to its use, the technologies in general offer the following opportunities.

- Focus on existing frameworks for dialogue to establish fundamental principles and strengthen mutual understanding and trust. Despite military modernization and resulting heightened tensions in Northeast Asia, frameworks for dialogue on strategic and security issues exist. China and the United States have engaged in official and unofficial strategic dialogues on nuclear issues for many years. Even

[31] Oceans 2013 MTS/IEEE Yeosu, Yeosu, Republic of Korea, March 21-24, 2013, accessed May 10, 2013, http://www.oceans12mtsieeeyeosu.org/.
[32] Tony Capaccio, "Northrop Drone flies over Japan Reactor to Record Data," *Bloomberg*, March 17, 2011, accessed May 10, 2013, http://www.bloomberg.com/news/2011-03-16/northrop-grumman-drone-to-fly-over-japan-reactor-to-gather-data.html
[33] Japan Agency for Marine-Earth Science and Technology, Dense Oceanfloor Network System for Earthquakes and Tsunamis (DONET), accessed May 10, 2013, http://www.jamstec.go.jp/donet/e/index.html
[34] Shelly Shan, "Central Weather Bureau preparing to install offshore earthquake observatory," *Taipei Times*, March 14, 2011, accessed May 10, 2013, http://www.taipeitimes.com/News/taiwan/archives/2011/03/14/2003498151

past frameworks such as the Six-Party Talks – although failing to achieve their goal of denuclearizing the Korean Peninsula – brought all major stakeholders in Northeast Asia together. Such frameworks and past experience can be utilized to establish new fora to ease tensions and reduce mutual distrust.

- Scientific Cooperation. The development of all technologies involves collaborative interactions between scientists, researchers, and engineers testing and applying theories to derive a final product. Even after the initial technology is proven, collaboration continues to improve upon and derive new applications. Rarely is development of a specific technology, particularly at its fundamental level, conducted in secret (the Manhattan Project is a notable exception), and thus, there are venues for collaboration between researchers from different states. While the military applications of the technologies noted in this paper may be researched in secret, the base abilities are developed openly at research institutions that collaborate in a scientific version of "Track 2" discussions, creating potential relationships to promote peaceful interactions. In a conflict, these connections can temper antagonistic rhetoric and serve as an alternate channel of communication between states.
- Conventions on Use. The application of new technologies in war has led to efforts by states to negotiate their use. The Washington Naval Conference, Chemical Weapons Convention, and even Medieval Code of Chivalry are examples of this. While competing states may have trouble reaching conclusions on significant strategic issues (e.g., the ASEAN South China Sea Code of Conduct or the Comprehensive Test Ban Treaty), agreements can be reached on smaller aspects of strategic and military balancing, namely use of weapons systems. In Northeast Asia, agreements over the use of UAVs and strategic conventional strike systems, or even agreements over the testing of such technologies, could open the door for discussions about more significant issues as well as provide a framework and venue for these discussions. Agreements covering all aspects of the technology would not be necessary – partial agreements covering some aspects (those easily agreed upon) would lend themselves to an additional level of cooperation.
- Non-conflict Use. As new technologies often have roles in both civilian and military applications, using them in both cases may provide means for states to cooperate, without necessarily displaying a weakness to a neighbor. At the same time, proposals on non-conflict use do not apply to all military technologies with civil applications. In the region, such concepts could be considered with regards to UAVs. This could be accomplished in disaster response and prediction, as well as in combating nonstate actors, specifically criminal activities such as piracy.

For states to take advantage of the stability-promoting opportunities these technologies offer, certain policies should be supported. It would be expected that states would enact these policies along with ones that support the conflict-exacerbating properties of the new technologies; the intent is that the two sets of policies, applied across multiple states would balance each other. Foremost, states should promote policies that maintain scientific development, both at the level of fundamental knowledge as well as at the promotion of collaboration of scientific communities. Such policies would

maintain support for basic scientific education, higher-level research institutions, and international collaborative events. States should endeavor to include the new technologies in international exercises – certainly in military exercises, but also (for states not militarily allied) in exercises pertaining to disaster response, combating criminal acts, and other threats to Northeast Asia writ large.

New technologies present a challenge to states as each watches the others to see if, when, and how they are applied and what effect these create on the regional security calculi. In the past, the adoption of new technologies in military affairs and regional security calculi have led to arms races and competition, sometimes leading to conflict. States are slow to agree on terms of use for new technologies, holding out to maintain an advantage as long as possible. However, recognizing that conflict, particularly as represented in Northeast Asia, has the potential to be destabilizing and disastrous for the region, states should take advantage of the opportunities for cooperation presented by new technologies. In any negotiation between entities, large, sweeping agreements will be hard-fought and long in resolution; smaller agreements about specific uses of new technologies can be easier to achieve. By these measures, competition can occur within the control of tempering, stabilizing activities, and the potentially disruptive use of new technologies can be avoided. Even in the "market competition" of military force, measures can be applied to ensure a "fair market" not overcome by a destabilizing "monopoly of force."

Young Leaders in Zurich

Photo Courtesy of Yuenzhe Ren

Photo Courtesy of Yuenzhe Ren

Enjoying the Last Few Moments as a Group

Photo Courtesy of Yuenzhe Ren

Photo Courtesy of Yuenzhe Ren

Photo Courtesy of Yuenzhe Ren

APPENDIX A

Young Leaders Participants

Ms. Ellise AKAZAWA (USA) is the public relations and outreach coordinator at Pacific Forum CSIS and concurrently holds a resident WSD-Handa fellowship. She is pursuing an M.A. in political science from the University of Hawaii. Akazawa is writing her Master's thesis on fresh water conflicts. She obtained her B.A. in international business from the University of Puget Sound and spent one year studying at the Faculty of Business and Economics at the University of Melbourne, Australia.

Mr. Vannarith CHHEANG (KHM) is executive director of the Cambodian Institute for Cooperation and Peace. He is also a member of the ASEAN Institute of Strategic and International Studies and the Council on Security Cooperation in the Asia Pacific (CSCAP). Chheang was a visiting research fellow at the Institute for Developing Economies (IDE-Jetro) in 2012-13 and a Southeast Asia fellow at the East West Center in 2011. Chheang received a Ph.D. in Asia-Pacific Studies from the Ritsumeikan Asia Pacific University, a graduate certificate in leadership from the East West Center (USA), an M.A. in international relations from the International University of Japan and is a graduate of the Institute of International Relations (Vietnam).

Ms. Sasiwan CHINGCHIT (THA) is an independent research consultant based in Washington, DC. She previously served as a lecturer at the Faculty of Political Science, Prince of Songkla University at Pattani, Thailand where she conducted and participated in research on conflict resolution, civil society strengthening and democratization. Her current research interests cover Thailand's foreign policy toward the US-China-India strategic triangle, multiculturalism in Thailand and armed conflict in Southern Thailand. She holds an M.A. and M.Phil. in political science from Jawaharlal Nehru University, India and a B.A. in international relations from Chulalongkorn University, Thailand.

Ms. Eleni Georgia EKMEKTSIOGLOU (GRC) is a project assistant at the European Union Institute for Security Studies, which is an EU agency. Prior to that, Eleni was a resident WSD-Handa Fellow at Pacific Forum CSIS. Her research examines strategic studies-related questions, focusing on the PLAN modernization and A2/AD (Anti-Access/Area-Denial) military capabilities. Her work has been published on The Diplomat, EIAS newsletter and in other European journals and newspapers. She holds a Master's degree from the King's College London War Studies Department. Eleni studied international relations and European studies at Panteion University of Athens and spent one year as an exchange student at Science Po Lille.

Ms. Miyuki FUJII (JPN) is a Reporting, Monitoring and Evaluation Adviser in the Office of the UN Resident Coordinator in the Kyrgyz Republic. Prior to this, Ms. Fujii was the Assistant Chief of East Asian studies at the Japan Forum on International Relations where she led research projects on regional governance in East Asia. Ms. Fujii also worked at the ASEAN Promotion Centre on Trade, Investment and Tourism and researched the regional political and economic developments. She holds a Bachelor's of Social Science from Ritsumeikan Asia Pacific University and an M.A. in Law and Diplomacy from the Fletcher School of Law and Diplomacy, Tufts University.

Mr. Ray HERVANDI (IDN) is Research Associate at the Torino World Affairs Institute in Turin, Italy. He works on the political and economic analysis of Southeast Asia, manages the China-centered Global Emerging Voices fellowship, and helps curate TheChinaCcompanion, a web portal that specializes in bringing together the latest research on Chinese politics, international relations, and international political economy. Previously, Ray worked for the East-West Center in Washington, D.C. He is a graduate of the University of Virginia and the Johns Hopkins University. Ray speaks German, Italian, and Japanese.

Mr. Seongho HONG (ROK) is a James Kelly fellow at Pacific Forum CSIS, where he conducts research on issues on the Korean Peninsula. Prior to joining Pacific Forum, he was a Research Assistant at the Korea Institute of International Economic Policy in Seoul, Korea. Hong previously worked at the EU Delegation of the Republic of Korea, Accenture, and ING Office in Seoul. He is a graduate of the Johns Hopkins University with a B.A. in Economics.

Mr. Chin-Hao HUANG (TWN/THA) is a Russell Fellow and Ph.D. candidate in political science and international relations at the University of Southern California (USC). Until 2009, he was a researcher with the China and Global Security Program at the Stockholm International Peace Research Institute (SIPRI) in Sweden. He specializes in international security and foreign policy analysis, especially with regard to China and Asia. His research and field work in more than 25 countries in North America, Europe, Africa, and Asia have been externally supported in part by the United States Institute of Peace (USIP), the UK Foreign and Commonwealth Office (FCO) Strategic Program Fund, the Norwegian Ministry of Foreign Affairs, the Rockefeller Foundation, Saferworld, as well as by the School of International Relations (SIR), the U.S.-China Institute, and the East Asian Studies Center at USC. Hailing from Bangkok, Thailand he now resides in Pasadena, California.

Ms. Gintare JANULAITYTE (LIT) is Advisor to the Minister of National Defence for the Republic of Lithuania. Previously, she was a resident WSD-Handa Fellow at Pacific Forum, where she researched Burma/Myanmar. She also interned at the Lithuanian Embassy in Washington, DC. Gintare holds a Master's degree in international law from Mykolas Romeris University (Lithuania) and a Master's in diplomacy and military studies from Hawaii Pacific University, where she delivered the graduate valedictory speech. During the pursuit of her Bachelor's degree, she studied at Ghent University (Belgium), Girona University (Spain) and in Vietnam.

Ms. Hyeonseo LEE (DPRK) is an undergraduate student majoring in Chinese at Hankuk University of Foreign Studies in Seoul, South Korea. A native of North Korea, Lee moved to China when she was 17 years old and eventually moved to South Korea when she was 27. Her interests include Korean reunification, North Korean politics and society, North Korean human rights issues, North Korean refugee issues, and trade relations between China and South Korea. Currently, Lee is a student journalist for the Ministry of Unification, a volunteer at the Songmo Orphanage for North Korean children, and a selected member of the "English for the Future" program at the British Embassy in Seoul. Additionally, Ms. Lee has published an article in the Wall Street Journal Asia blog about her transition from North Korea to South Korea, titled "A Defector's Tale: Lee Hyeon-seo".

Mr. Wei LIANG (PRC) is the academic committee member of the Marine Research Center, China Foundation for International Studies (CFIS). Having received his Master's degree of military science from Naval Command College, he joined the Naval Research Institute PLA-N. He has also been a non-resident research fellow at the China Institute for Marine Affairs, State Oceanic Administration. His research interests mainly cover strategic and maritime security issues of East Asia, specializing in maritime security policy.

Ms. Jenny LIN (USA) is the US 2012-2013 Sasakawa Peace Foundation Resident Fellow. Ms. Lin received her M.A. in Public Policy from American University and B.A. in Government and Asian Studies from the University of Texas in Austin. Her area of research includes: US-Japan alliance focusing on the Futenma Relocation Facility; energy security; Chinese military development, space industry, and cybersecurity. Her publications include: Navigating US - China Relations: Complicated by China's "Unrelenting Strategy"; China's Energy Security Dilemma; Weather Satellite Surveillance; The Chinese People's Liberation Army Signals Intelligence and Cyber Reconnaissance Infrastructure. She has contributed to the following publications: China's Evolving Space Capabilities: Implications for U.S. Interests; Buy, Build, or Steal: China's Quest for Advanced Military Aviation Technologies. Lin's publications have been featured in The Diplomat, Asia Times, and South China Morning Post.

Ms. Mihoko MATSUBARA (JPN) is a cybersecurity analyst at a Japanese firm in Tokyo. Previously, she served the Japanese Ministry of Defense for nine years until 2009. Her work earned her three letters of appreciation and eleven commendation coins from the US government and military, and one commendation from the Ministry. Mihoko has addressed cybersecurity issues at security symposiums in six different Japanese cities at the invitation of the US Embassy in Tokyo, and was twice interviewed on Honolulu radio. She also lectured on cybersecurity and international cooperation to 60 Japanese senior journalists at the Japan National Press Club. Her articles have appeared in Asahi Shimbun, Council on Foreign Relations' Asia Unbound, The Diplomat, Foreign Policy Digest, ISN, Kyodo, Japan Times, Harvard Asia Quarterly, PacNet, Stanford Journal of East Asian Affairs. She earned her M.A. in international relations and economics from the Johns Hopkins School of Advanced International Studies on Fulbright.

Mr. Tiago MAURICIO (PRT) is a Monbukagakusho research student at Kyoto University on matters of Japanese security and defense policy and East Asian affairs. He is also an analyst at Wikistrat and a collaborative researcher at the Orient Institute, Portugal.

Ms. Phu Tan Huong NGUYEN (VNM) is Vice Dean of the Faculty of International Politics and Diplomacy, the Diplomatic Academy of Viet Nam (DAV), Ministry of Foreign Affairs. She is a Ph.D. candidate at the DAV and her research focuses on ASEAN-US relations. She holds a Master's of international relations at the S. Rajaratnam School of International Studies, Nanyang Technological University, Singapore. Nguyen has participated in the Pacific Forum CSIS Young Leaders Programme since 2010.

Ms. Elina NOOR (MYS) is Assistant Director for Foreign Policy and Security Studies at ISIS Malaysia. Previously, Elina was a part of the Brookings Institution's Project on US Relations with the Islamic World. Prior to that, she researched weapons of mass destruction terrorism at the Center for Nonproliferation Studies, Monterey Institute of International Studies. Elina's research interests include US-Malaysia bilateral relations and major power relations. Elina read law at Oxford University and later obtained an LLM in Public International Law from the London School of Economics and Political Science, graduating with distinction at the top of her class. A recipient of the Perdana (Malaysian Prime Minister's) Fellowship, she also holds an MA in Security Studies from Georgetown University where she was a Women in International Security Scholar.

Ms. Elizabeth PETRUN (USA) is a researcher and project manager for the Effective Risk Communication Project at the National Consortium for the Study of Terrorism and Responses to Terrorism at the University of Maryland, funded by the Department of Homeland Security (DHS). Petrun is also a doctoral candidate and fellow at the University of Kentucky in the College of Communication and Information. Aside from DHS, Petrun has collaborated on research with various government organizations, including the National Center for Food Protection and Defense and the World Health Organization. Petrun's research has been accepted for presentation at national conferences, and her work has been published in The Northwest Journal of Communication, Management Communication Quarterly, Southern Communication Journal, and Corporate Reputation Review.

Mr. Nathan PINKUS (USA) is a staff officer for the US Department of Defense (DoD) conducting policy research on politicial-military issues as they relate to US support operations in the Asia-Pacific region. He previously worked as a research analyst for the DoD and interned on Capitol Hill. Nathan received a Bachelor's of Science Foreign Service degree in international politics with a certificate in

Asian studies from Georgetown University Walsh School of Foreign Service in 2009. His research interests include US-China relations, non-traditional security threats, nuclear security, and regional security partnerships in the Asia-Pacific.

Mr. Amir RAMIN (AFG) is Political Adviser to the Chair of the Afghan High Peace Council where he focuses on reintegration and reconciliation strategy. In addition, he is an Asia Pacific Leadership Program Fellow at the East-West Center. Prior to this, he served as Political Adviser for the European Union Head of Delegation and Special Representative for Afghanistan, advising on issues pertaining to governance and security sector reform. Ramin has previously held positions with the United Nations Development Fund for Women, Amnesty International and the Ghazni Provincial Governor's Office. He obtained his Bachelor's degree in International Relations and Politics from London Metropolitan University. Ramin recently co-authored two op-eds on Afghanistan related to security and political transitions and regional cooperation for McClatchy's Newswire and World Policy Institute, respectively.

Dr. Michael RASKA (DEU) is a Research Fellow at the S. Rajaratnam School of International Studies, Nanyang Technological University in Singapore. His research and publications focus on East Asian security and defense issues, including theoretical and policy-oriented aspects of military innovation and WMD proliferation. He has previously taught at the SAF Command and Staff College and the Lee Kuan Yew School of Public Policy. His research experiences include fellowships at the Hebrew University of Jerusalem, Yonsei University, Pacific Forum CSIS, and Samsung Economic Research Institute (SERI). He is an alumnus of the Columbia / Cornell University Summer Workshop on Analysis of Military Operations and Strategy (SWAMOS).

Mr. Yuanzhe REN (PRC) is an Assistant Professor at the Department of Diplomacy of China Foreign Affairs University (CFAU). He was a program coordinator of the Center for Strategy and Conflict Management, and is Vice Director of the Center for BRICS Studies and

member of the Center for China Foreign Policy Studies at CFAU. His main research interests include strategic studies, especially comparative studies on maritime security strategies, and China-U.S. Relations in the context of East Asian regional relations. He has published books and many articles on those issues. He also attended many forums and conferences held in East Asian countries. He received his Ph.D. in international relations from CFAU in 2009.

Mr. Phillip SCHELL (DEU) is a researcher with the Stockholm International Peace Research Institute's Nuclear Weapons Project and the China and Global Security Program. His research focuses on security issues related to weapons of mass destruction arms control, disarmament and nonproliferation. Before joining SIPRI, his assignments included NATO's Emerging Security Challenges Division, Weapons of Mass Destruction Centre and the James Martin Center for Nonproliferation Studies. He has also worked with the International Atomic Energy Agency and International Crisis Group. He holds an M.A. in international policy studies and nonproliferation from the Monterey Institute of International Studies and the James Martin Center for Nonproliferation Studies and an undergraduate degree in area studies China and political science from Cologne University.

Ms. Cristin Orr SHIFFER (USA) is a resident WSD-Handa resident fellow at Pacific Forum CSIS. She is currently researching opportunities through which the US military can employ smart power and whole-of-government approaches to US overseas basing challenges in the Asia Pacific. Shiffer also holds a position in the Research and Policy Department of Blue Star Families, a national non-profit that researches and advances policy options in support of military families. Shiffer has formerly held positions with the Australian Defence Community Organization and the US House Foreign Affairs Committee staff. She is reading for her comprehensive examinations at Old Dominion University's Graduate Program in international studies.

Mr. Timothy STAFFORD (GBR) is reading for a Master's degree in security studies at Georgetown University in Washington D.C. His primary research interests are US foreign policy, and America's

engagement in international alliance structures. Mr. Stafford holds a Bachelor's degree in History and Politics from the University of Oxford. He is an Associate Fellow with the Henry Jackson Society, a member of the Atlantic Council's NATO working group, and a non-resident WSD-Handa Fellow. From 2008-2012 he worked as the research assistant to Sir Malcolm Rifkind, British Defense Secretary (1992-5) and Foreign Secretary (1995-7).

Mr. Billy TEA (FRA/USA) is a WSD-Handa Fellow at Pacific Forum CSIS. Prior to joining Pacific Forum, he was an analyst for the Bureau of Foreign Policy and Security Studies at the Institute of Strategic and International Studies, Kuala Lumpur, Malaysia. Tea was a trainee at the Political Section of the European Union Delegation and at the Institute of Peace and Conflict Studies in New Delhi, India. He has written articles on the implications of China's political and economic rise, China and India's relations with Southeast Asia, and the political-economic development of Myanmar. In 2007, he volunteered at the Thai-Myanmar border working with refugees, where he experienced the spillover effects of civil war which pushed him to graduate from King's College London with an M.A. in War Studies. Billy Tea also graduated *magna cum laude* from the University of Massachusetts at Amherst with a B.A. in political science.

Mr. Eddie WALSH (USA) is a Ph.D. candidate at the School of Oriental and African Studies (SOAS), the President/CEO of the Pacific Islands Council, and the President of the Pacific Islands Society. He is also an invited member of the NATO/PfPC Working Group on Emerging Security Challenges, an adjunct fellow for emerging technologies and high-end threats (ET/HT) at the Federation of American Scientists, a senior fellow at Georgetown University's Center for Australian and New Zealand Studies, a member of INENS, and a non-resident WSD-Handa Fellow at Pacific Forum CSIS. Mr. Walsh is the recipient of numerous awards, including the National Press Club's Vivian Award, Microsoft's Patent Cube, and the U.S. Joint Chiefs of Staff's Certificate of Appreciation.

Mr. Thom WOODROOFE (AUS) is an associate fellow at the Asia Society, the CEO of Global Voices, and a freelance opinion writer on foreign affairs. He has previously worked in the offices of California Governor Arnold Schwarzenegger & US Congressional Speaker Nancy Pelosi. He holds a Master's of international relations and a Bachelor's of global arts (first class honours) and was recognized as the 2009 Young Victorian of the Year for his work in establishing Left Right Think-Tank.

Mr. Peter YEMC (USA) is a policy analyst, U.S. Department of Defense, covering policy and security issues in the Asia-Pacific region. His areas of interest include Asia-Pacific regional security strategies as well as regional bilateral and multilateral relations. Prior to working for the government, Mr. Yemc worked for Booz Allen Hamilton on national disaster response planning. Mr. Yemc holds a B.S. in International Politics from the Walsh School of Foreign Service, Georgetown University.

APPENDIX B

INTERNATIONAL RELATIONS AND SECURITY NETWORK, AND
WORLDWIDE SUPPORT FOR DEVELOPMENT – HARUHISA HANDA
PRESENT
"10th ISF 2013: Facing a World of Transition" and "Europe 101" Seminar
Young Leaders Program ♦ April 22-26, 2013 ♦ Geneva and Zurich

YOUNG LEADERS AGENDA

14:00 **10th International Security Forum 2013 "Facing a World of Transition"**

14:00	**Host Welcome: Toward Solutions - Ambassador Fred Tanner, Director, Geneva Centre for Security Policy** **Opening Address: Shared Priorities - Federal Councillor Didier Burkhalter, Head, Federal department of Foreign Affairs of Switzerland** **Partners' Welcome: Issues and Options - Lt. Gen. (Ret.) Keith W. Dayton, PfP Consortium of Defence Academies & Security Studies Inst.** **Opening Panel: Facing a World of Transition - Professor Heisbourg, Ambassador Antonov, Ms Beerli, Ambassador Zannier, Professor Liru**		
16:00	Coffee		
16:30	Revitalising the OSCE- a Mission Impossible	Managing Transitions in the Middle East & N. Africa	US, China & the Asia Pacific Century
19:30	Official ISF Dinner Venue: Grand Hotel Kempinski Geneva, Quai du Mont Blanc 19, 1201 Geneva		

Tuesday, April 23, 2013

	Human Security	**Regions in Transition**		**Conflict and Arms Control**	
	1. *Non-State Actors and Transnational Movements*	**2.** *Political Transitions*	**3.** *Regional System in Fluidity*	**4.***Transforming Security*	**5.** *Disarmament and WMD*
9:00 10:30	**1.1** Regulating the Private Security Industry – From Design to Implementation	**2.1** Security Implications of Post-Arab Spring	3.1 Europe Between Crisis and Renewal	**4.1** Emerging Security Challenges: Issues and Options for Policy Makers	**5.1** State of Play of Nuclear Disarmament
	Coffee				
11:00 12:30	**1.2** Global Environmental Change: Implications for Food Security and International Security	**2.2** Mine Action and Security Sector Reform	**3.2** Leaving Afghanistan: A Political and Security Vacuum in the Making?	**4.2** Mediating Today's Armed Conflicts: Dilemmas, Trends and Approaches	**5.2** Regional Conflicts and Nuclear Disarmament: What are the Links?
	Lunch				

Tuesday, April 23, 2013 cont.

	Human Security	Regions in Transition		Conflict and Arms Control	
14:00 **15:30**	**1.3** Cyberwar: Roles and Responsibilities of International Organisations	**2.3** Security Sector Reform (SSR) and Democratisation	**3.3** Diasporas: Global Players in Regional Transformations	**4.3** New Issues in Peacebuilding	**5.3** Small Arms Trade: The Role of Hidden Actors?
	Coffee				
16:00 **17:30**	**1.4** Shared History and Transcultural Security: The Arab-Islamic World and the West	**2.4** Security Sector Reform and the Arab Spring	**3.4** Political Transitions in Africa	**4.4** Normative Change in Peacekeeping Operations	**5.4** Urban Armed Violence

17:30 ISN reception with **Professor Tyler Rauert**, US National Defense University's Near East South Asia Center for Strategic Studies
(www.nesa-center.org)
Venue: Bar VIP (Espace Léman), Geneva International Conference Centre (CICG)

Wednesday, April 24, 2013

Breakfast at leisure from 06:30

08:15 **Meet at the Hotel Lobby** ~ Transfer to CICG

9:00	**Shaping a World in Transition through Education**	**Maintaining the Rule of Law in an Evolving Security Environment**	**Security: The Next Millennium Development Goal**	**Next Steps in Nuclear Disarmament: Where Do We Go From Here**
10:30	Coffee			
11:00	**Looking Ahead: Managing Multiple Transitions**			
13:00	**Host Farewell Address by Ambassador Fred Tanner, Director Geneva Center for Security Policy**			
	Lunch (end of conference in Geneva)			

14:15 Depart CICG for **Hotel Warwick Geneva** by tram

15:00 **World Economic Forum Briefing by Lee Howell, Managing Director**
Venue: Hotel Warwick, 14 Rue de Lausanne, 1201 Geneva (Meeting Room: Mont-Blanc)

17:00 Return to Hotel Bernina to collect luggage and packed meal
17:45 Depart Geneva by train

20:28 Arrive Zurich, Transfer to Hotel

Thursday, April 25, 2013

08:00 Meet Julia Kreienkamp (ISN) at hotel lobby ~ Transfer to ETH Zurich

08:30 **Europe 101 Seminar**
International Relations and Security Network (ISN) ETH Zurich
Venue: ETH Zurich, Main Building, Rämistrasse 101, 8092 Zurich, Switzerland (Room HG F 33.1)

08:30 **10:00**	**The Status of "Europe" and the Role of Neutral Nations within it**
Coffee	
10:15 **11:45**	Wither goes Europe's Security Policies
Lunch **Venue: Restaurant foodLAB, ETH Zurich**	
13:15 **14:45**	Europe's Relationship with Russia and its Spheres of Influence
Coffee	
15:00 **16:30**	European Nuclear Policy(ies) and Nonproliferation Efforts

20:00 Dinner

Friday, April 26, 2013

08:30 **Europe 101 Seminar**
International Relations and Security Network (ISN) ETH Zurich
Venue: ETH Zurich, Main Building, Rämistrasse 101, 8092 Zurich, Switzerland (Room HG F 33.1)

08:30 **10:00**	**European Strategies against Political Radicalization and Terrorism**
Coffee	
10:15 **11:45**	Europe's Budding Economic, Foreign Policy and Security Relationship with Asia
Lunch **Venue: Restaurant uniTurm, University of Zurich**	