



The Future of Two Koreas in North Asia: 2030



NATIONAL ASSEMBLY
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Contents

PART I

The Future of Two Koreas in Northeast Asia: 2030 2

Introduction	3
North Korea in 2030: Nuclear Giant with Economic Defects	5
South Korea in 2030: A Muscle-Flexing Democracy	9
Korean Peninsula in 2030	13
Most Possible Future in Northeast Asia	15
The Most Preferred Future of Northeast Asia	20
Policy Suggestions	23

PART II

Japan's Foreign Policy and Security Posture in 2030 27

Japan at a strategic crossroads?	29
Japan as a strategic actor in 2030	32
Japanese assessments of the strategic landscape by 2030	35
Japanese foreign policy responses	38
Japan's military trajectory	46
Japan's economic statecraft	48
Conclusion	49

PART III

The US in Northeast Asia: 2030 51

Introduction	53
The US in Northeast Asia: Long-term trends	55
The demand side: Northeast Asia in 2030	60
The supply side: The United States in 2030	64
Expectations	70

PART IV

Russia's posture in Northeast Asia in 2030: alternative scenarios 75

Internal factors	84
Economics: the uncertainty over Russia's economic model in a post-carbon digital world	85
Politics: what is the future of the Putin state?	88
Scenarios of Russia-2030	89
The most possible strategic future of Northeast Asia in 2030	100

PART V

China's Foreign Policy and Security Posture in 2030 105

Introduction 107

China's Evolving Roles 110

China's Power Potential 114

Power, Legitimacy, and China's Roles 119

Conclusion 123

PART I

**The Future of Two Koreas
in Northeast Asia: 2030**

PART I

The Future of Two Koreas in Northeast Asia: 2030

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Introduction

Over the past four years, two Koreas-i.e., South-and North Korea-have experienced monumental changes in their relationship. Encouraged by U.S. policy of diplomatic engagement backed by strong military deterrence, the two Koreas have been given a chance to hold summit twice and to discuss the ways of resolving the North's nuclear problems at negotiation tables in a sincere manner. Such diplomatic move has been endorsed by Trump's administration's deal-centered approach to North, which raised a hope for perpetual resolution of North Korea's nuclear problem by diplomatic means. But the hope has evaporated soon when the leaders of U.S. and North Korea realized that dismantling nuclear arsenals in North Korea is an indivisible pie. Not only did the leaders fail to agree with the definition of denuclearization on the Korean peninsula but also diverged on how to get the denuclearization done in time.¹⁾

The Progressive government in South Korea, from the outset of its tenure, has pursued a policy of diplomatic engagement for the resolution of the

1) Adam Mount, "Anatomy of a failed summit: At Hanoi, all or nothing ends with nothing," CNN March 1, 2019. <https://edition.cnn.com/2019/03/01/opinions/hanoi-summit-reaction-mount-intl/index.html> (accessed on Feb., 4, 2021).

North's nuclear problem. Inheriting the legacies of policies of peace and cooperation of former progressive leaders Kim Dae-Jung and Roh Mu-Hyun, the government has made determined effort to dismantle the North's nuclear arsenal through the adoption of active bilateral-and multi-lateral diplomacy. The government has skilfully persuaded both North Korea and US such that the nuclear showdown between the two Cold-War rivals could be resolved at negotiation tables. All this leads to historic summit between the rivals in Singapore and Vietnam. After witnessing the failure of the Hanoi deal between Chairman Kim Jung-Un and President Donald Trump, however, South Korean leaders, as usual, had to admit that the two Koreas will be getting back to normal-i.e., the continuation of inter-Korean rivalry.

Against the backdrop of the recent developments in the U.S. and North Korean relations and South-and North Korean relations, the paper aims to offer a reasoned speculation of the future of the two Koreas roughly by 2030. Predicting the foreseeable future of the two Koreas is quite important for several reasons. First, it allows concerned public as well as policy makers to prepare unknown but highly volatile events from North Korea whose regime might be becoming more fragile across time. Second, predicting the future of the two Koreas is a good starting point for drawing a blueprint for coming security landscape of Northeast Asia in which major powers having high economic and political stake over the so-called Korean affairs are destined to meet one another. Third, the future of the two Koreas can be a reflection of the future of power struggle of two superpowers-i.e., U.S. and China. In what follows, the paper provides the future of North Korea and South Korea and examines where the relationships of the two Koreas will be headed in coming ten years. Then, the paper concludes by offering the most possible and preferred future of the two Koreas. If there is any gap between the two futures, the paper proposes South Korea's

foreign and security strategies, which may contribute to filling the gap.

North Korea in 2030: Nuclear Giant with Economic Defects

Predicting the future of North Korea is relatively simple and straightforward. That is, the North will continue to advance its nuclear capabilities in terms of quality as well as quantity. By 2030, it will be highly likely that the North, despite the West's forceful denial, will remain one of major nuclear powers in the world politics. The past rounds of diplomatic negotiations between North Korea and stakeholders in East Asia like U.S., China, Russia, Japan, and South Korea have vividly demonstrated how much desperate the North's regime is for obtaining and advancing its nuclear weapons. As rich literature of the North's foreign and security behavior pointed out, the North has regarded its nuclear arsenals as tools for ensuring its regime survival. Grounded in an old-fashioned Cold-War seize mentality, it still believes that U.S. will invade the North and remove Kim's family from power unless it is equipped with absolute power-i.e., nuclear power.²⁾ This logic of survival will pervade North Korea forever unless its regime is replaced by more plural one. So, the future image of North Korea will not be quite different from that of present North Korea. The North will remain a garrison state armed with nuclear weapons in the future with little change in its political system.

Specifically, the key features of the North's political system will be highly authoritarian in the future in which current leadership or successor of

2) Regarding this argument, see Victor Cha, *The Impossible State: North Korea Past and Future* (New York: HarperCollins, 2012); Victor Cha and David Kang. 2005. *Nuclear North Korea: A Debates on Engagement Strategies*. New York: Columbia University Press, 2005); David Kang, "International Relations Theory and the Second Korean War." *International Studies Quarterly* Vol. 47, No. 3 (2003 September): 301-324; Selig S. Harrison *Korean Endgame: A Strategy for Reunification and U.S. Disengagement*. Princeton: Princeton University Press, 2002).

Kim's family remains in power. This means that incumbent Workers' Party of Korea, supported by Korean People's Army, will be the only ruling body in North Korea in which one man, notably Kim Jung-Un, serves as a supreme leader for a whole North Korean society. Any political challenge to Kim's consolidated personalistic leadership will not be allowed and Kim's control of power will persist with little change in the North's one-party system.

Given this, North Korea will likely experience sharp increase in number of nuclear weapons it possesses. It will soon succeed in developing Inter-Continental Ballistic Missiles (ICBM) in which more sophisticated and miniaturized nuclear warheads may be placed. It is also matter of time that the North will succeed in testing Submarine-Launched Ballistic Missiles (SLBM).³⁾ The quantity of all strategic nuclear asset, notably medium-and long-range missiles, will be significantly increasing within three to five years. Building upon the confidence such nuclear advancement would bring about, the North will be more active in using coercive diplomacy toward its near enemy-i.e., South Korea and far enemy-i.e., the US.

Yet, it should be noted that the North's nuclear arsenals are not specifically designed to attack its near enemy-i.e., South Korea. Given the geographical proximity of the two Koreas, the North does not need to use nukes against South Korea. Short-and medium range missiles, which have heavily been located along the line of Demilitarized Zone (DMZ), are the ones that pose direct military threats to the South. Like the sinking of Cheonan ship and bombardment of Yeonpyoung in 2010, the North will be more likely to rely on low-intensity conflict toward South Korea if it helps the North achieve strategic advantage over the South's military. Given tight military deterrence

3) Michael Elleman, "North Korea's Newest Submarine-Launched Ballistic Missile, Same as the Old One?," 38 North Ja., 15. 2021. <https://www.38north.org/2021/01/north-koreas-newest-submarine-launched-ballistic-missile-same-as-the-old-one/> (accessed on Jan., 30, 2021).

backed by U.S. in place, the chance of the conflict will continue to exist but the utility of major war between the two Koreas will rapidly decline.

But, there is a major challenge the North will inevitably face in the future. That is economic recession. Over the past decades, the North have had to sacrifice its economic welfare for perceived national security interest. The survival of regime has always been prioritized over economic development, which might be more important to the survival of North Korea as a sovereign state. Many efforts from inside-and outside North Korea to induce economic reform have been nullified simply because of their implications for the stability of Kim's regime. Chinese model of economic reform, for example, has been discussed in a great detail within the WPK during the Kim Jung Il's era but put aside because Kim himself worried that it would invite massive flow of Western idea and information, which could risk his tight control of the North's society.⁴⁾ The same worries have been handed down to his son Kim Jung Un, a current supreme leader of the North, who purged his reformist uncle Chaing Sung-Tak in the name of 'treason'. This tragedy simply shows how difficult the North gets economic reform started. So, a dilemma of reform will persist in coming ten years. To make North Korean society wealthier, its leaders must endure a risk of losing his absolute power. Compromising with the West, especially U.S. and South Korea is inevitable. But, doing so will has a dire consequence on Kim's tight grip on power in an almost automatic manner.

There is another trade-off between North Korea's economic development and regime security. Kim's family has long linked its fate to nuclear weapons, which are believed to prevent US phantom attack on the North. But obsession with nukes now leads to a series of US-led economic sanctions, which become harsher over time. So far, nine resolutions have

4) David Shambaugh, "China and the Korean Peninsula: Playing for the Long Term," *Washington Quarterly* (March 2003) Vol. 26, No. 2, pp. 43-48.

been issued on North Korea by UN Security Council, which are mostly targeting the North's nuclear activities.⁵⁾ Except for sizable number of trade with China along the border, North Korea has been prevented from engaging in economic transactions with other foreign countries. As a result, North's level of trade dependence on China has skyrocketed. This type of patron-relied economy cannot persist across time. The North, even under Kim Jung-Un leadership, has bad reputation in considerable shortage of food and key commodities.⁶⁾ So long as it is obsessed with nuclear option, economic backwardness is inevitable. Most recently, Kim Jung-Un has begun to emphasize North Korean way for reviving its economy. Unfortunately, however, such old-fashioned dogma of economic self-reliance has proven completely wrong by history.

The North may make another attempt to reform its retarded socialist economy by expanding its exchanges with South Korea. Recently, South Korea has been willing to work together with the North on an economic front for stabilizing security landscape it faces. Economic aid, joint venture, and humanitarian aid have been offered by Korean government for attaining a goal of stability and peace on the Korean peninsula. But the problem is there is deep divide in South Korean society over the issue of helping the North's troubled economy revive. When conservative party takes power, the policy of compromise and cooperation with the North tends to give a way to a policy of confrontation and deterrence, resulting in a sharp decline in economic exchange between the two Koreas.⁷⁾ There is

5) <https://home.treasury.gov/policy-issues/financial-sanctions/sanctions-programs-and-country-information/north-korea-> (accessed on Feb., 15 2021).

6) Edward White, "Kim Jong Un to unveil new economic plan as North Korea crisis deepens," *Financial Times* Dec., 30. 2020. <https://www.ft.com/content/7509430a-af0c-4538-9ae6-151f1a2724fe> (accessed on Jan., 31 2021).

7) Chaekwang You and Kiho Hahn, *The Perpetuated Hostility in the Inter-Korean Rivalry: A Theory of Multilevel Veto Players and the Persistence of South-North Korean Rivalry, 1954-2007*, *Korea Observer* Vol. 49, No. 2 (2018), pp. 260-264.

no guarantee that progressive parties will take power in coming years. If there is partisan shift in South Korea's politics from progressive party to more conservative one, therefore, the North must face a situation in which it spends most of money and energy militarily facing off heavily armed South Korean military backed by US force.

In 2030, therefore, it would be highly likely that North Korea takes a form of a garrison state armed with many nuclear stockpiles which suffers from severe economic crisis on a periodic basis. Political system of the North will remain the same unless current leader Kim Jung-Un experiences major emergency condition in his health. Major economic reform will not occur even though the North increases number of consultations on economic affairs with Chinese leadership. Economic crisis stemming partly from the lack of domestic economic reform and partly from economic sanction from the West will engulf the North into major economic recession periodically. Heavily nuclearized garrison state with little prospect for economic development is an image of North Korea in 2030.

South Korea in 2030: A Muscle-Flexing Democracy

South Korea, which is a symbol of liberal democracy in East Asia, will serve as a key military player in the future. Grounded in continued economic growth, it will continue to modernize its military capabilities and to obtain the most sophisticated weapon system such as stealth fighters, aegis combat system and small-sized aircraft carriers. All this military advancement will be targeting possible military threat from North Korea as usual.

Even in 2030, South Korea's military strategies will be designed and implemented within the confines of US-ROK defense treaty. But in the foreseeable future, it is highly likely that wartime operation control

(WT-OPCON) will be transferred to Korean military, suggesting that the South will be able to conduct its own wartime military operation without a resort to US army stationed on the Korean peninsula. This does not mean that close security ties between US and South Korea will go away. Instead, it suggests that South Korea, under the auspice of US troops, will enhance its fighting capabilities significantly. If WT-OPCON is on the South's side, however, South Korea will present itself to the international society that its national interest can be defended by wholly Korea's capabilities.

As usual, South Korea's military posture around 2030 will be focused on possible invasion of North Korean military. 'Deterring the North's attack' will be the single most important security interest South Korean government, regardless of its partisan difference, seeks to maximize. The South's military expenditure will be approximately 3% of entire Korean GDP. The South's desperate attempt to obtain advanced and sophisticated weaponry system will continue even in 2030.

In this regard, it is important to notice that South Korea is one of nuclear threshold states or nuclear latency. Many security experts and scholars have pointed out that South Korea, if necessary, will develop nuclear weapons within ½-1 year. If the North continues to conduct nuclear test more and the size of the test gets bigger, there will be a growth of voice in favour of going nuclear in South Korean politics. Some of Korean politicians, mostly military hawks, already argued that South Korea should consider possessing nukes as a counterweight for the North's nuclear gamble. To be sure, there are a number of internal and external constraints Korean government should cope with if it decides to develop nukes ranging from U.S. opposition to nuclear chain reaction in East Asia. Given the decreasing chance of the North abandoning nuclear weapons, however, the voice in favour of going nuclear will become popular in the future.

Also, it is worth noting that South Korea's strategies toward North Korea have widely oscillated between confrontation and compromise depending on who comes to office. Drawing upon opposing threat perceptions of the North's regime, conservative and progressive parties have designed and implement diametrically opposing strategies toward the North. For instance, conservative parties like Hanarah Party (Party of One Nation) and Shinhankook Party (Party of New Korea) have primarily inherited the Cold-War legacies from their predecessors and pursued the so-called policy of confrontation and isolation of North Korea. Claiming that the North's nuclear- and missile provocations are still motivated by its concern for overthrowing democratic regime, the parties have consistently argued that containing the North is the only viable solution. Accordingly, fortification of Korean military, consolidation of US-ROK alliance and endless military preparedness are the ones that the parties have long prioritized over compromise and cooperation.

Progressive parties like Minjoo Party (Democratic Party), Yeolin Uri Party (Party of Open Us), and Deobuluh Minjoo Party (Party of Democratic Together) have been champions of policies of compromise and cooperation over the past decades. Grounded in former President Kim Dae-Jung's famous sunshine policy, the parties have preferred negotiated solution to the North's nuclear problem over military one. Keenly aware that the North's nuclear weapon is a tool for ensuring its regime survival against US future attack, not a tool for overthrowing the South's democratic regime, the parties have made determined efforts to bridge rounds of talks between U.S. and North Korea. For these progressive parties, military preparedness needs to be carefully designed and implemented only for defensive purposes.

So, the future of South Korea in 2030 depends primarily on three factors-i.e., economic growth, political stability and partisanship of leader in power. Despite some differences in details on the drivers of economic growth in

coming ten years, most Korean economists agree that South Korea's economy will continue to grow 2-3 % annually and such growth will persist by 2030. If this is the case, the South will be able to spend 3-4% of GDP advancing its military capabilities. South Korea is now ranked 6th in overall military power in the world.⁸⁾ Looking into 2030, Korea's military status will remain the same or slightly improve.

With regards to its political system, South Korea will remain a stable democracy by 2030. While experiencing political upheaval associated with corruption scandals of two former Presidents, South Korea has restarted its process towards democratic consolidation. The rule of law, wider freedom of press and of association and stricter anti-corruption measures have already been reinstalled, thereby increasing the chance of democratic consolidation in the future.

Despite an inflated hope for democratic consolidation in the future, however, there are some hurdles Korean leaders must overcome for achieving considerable political stability. Among others is a deeply divided partisan politics that South Korea must strive to overcome. It has been well-known that Korean politics has become polarized along the line of progressivism and conservatism. These two competing political forces, in particular, have engaged in a zero-sum partisan struggle as to the North's nuclear challenge. While progressive force has consistently been supportive of compromise and cooperation with the North, conservative groups opposed any premature cooperation with the North and endorsed consistent policy of containment until the North abandons its nuclear ambition. So, by 2030, South Korea's democracy will show extremely polarized feature of zero-sum partisan struggle although its democratic institutions become stable and consolidated.

8) <https://www.globalfirepower.com/countries-listing.asp>

Taken together, the image of South Korea in 2030 will not be much different from that of present time. South Korea, based on its continued economic growth, will become one of major military powers in Asia Pacific. Grounded in bilateral security pact with U.S., it will be at the forefront of deterring the North's attack on the South. South Korea's political system will largely remain democratic but experience serious partisan struggle between progressive-and conservative parties over the issues of nuclear North. Its policy toward North Korea will be subject to a chronic inconsistency and volatility derived from the struggle, which may prevent the South from pursuing a coherent grand strategy toward North Korea.

Korean Peninsula in 2030

Predicting the future of Korean Peninsula in 2030 is tantamount to combining two images of the future of the two Koreas, which are delineated in the previous sections. Several things are immediately notable. First, North Korea, although experiencing dire economic crisis in the future, will never abandon its nuclear option simply because it believes nuclear weapons will ensure the North's regime survival against US attack. So long as such logic of regime survival dominates, the North will fortify its nuclear capabilities at any costs. Any meaningful political change and economic reform will be delayed until the North believes that its nuclear capabilities are strong enough to endure US diplomatic and military blackmail. Given this, the North will continue to rely on coercive diplomacy as well as low-intensity conflict toward South Korea and US for obtaining concessions such as recognition of the North as a formal nuclear power and restoration of diplomatic relationship.

Facing the North's squeeze play with nuclear card, South Korea will

oscillate widely between confrontation and cooperation. Whether the South cooperates or not will primarily depends on who comes to office. If progressive party remains in power, the South will make another attempt to diplomatically engage nuclear North Korea. Under this circumstance, the Korean peninsula will enter again into a period of rapprochement and compromise. Hope for inter-Korean compromise and economic cooperation backed by the North's economic reform will run high on both sides. High-ranking officials will try to institutionalize bilateral meetings while business community on South Korean side will discuss potential benefits of South-North Korean economic cooperation on tables. It is also highly likely that Korean government pushes the US again into sitting in negotiation tables with North Korean counterparts.

A completely different situation will occur if conservative party come to office in South Korea. Tapping on the failure of dismantling nuclear North, hawkish politicians and bureaucrats would like to nullify previous governments' effort to compromise with nuclear North. They will focus on the lack of reciprocity from the North and accuse it of not trustful. The futility of former governments' policy of engagement and compromise will be emphasized. The logic of containing nuclear North will appear again. Responding to such hawkish logic, the North will issue war of words and launch low-intensity conflict against the South, which will invite the strengthening of joint military exercise between US and South Korea. Thus, the Peninsula will be getting back into previous status quo-i.e. the inter-Korean rivalry.

Most Possible Future in Northeast Asia

What would be the most possible future of Northeast Asia in 2030? To answer the question, the future of the two Koreas should be plugged into a broader context of the future of Northeast Asia in which other major stakeholders, except the two Koreas, will play their distinct role in the region on the basis on their perceived national interests. Almost three decades ago, Aaron Friedberg offers a foundational prediction of the future of Asia, including Northeast Asia. Titled “ripe for rivalry,” Friedberg claimed that the future of Asia will be characterized by rise of rivalry between contesting states. Unresolved historical animosity, which is largely derived from WWII, rampant existence of territorial disputes, varying mixes of autocracies and democracies, and rise of new powers and consequential nationalism all indicates that the future of Asia would be highly unstable and like Europe’s past.⁹⁾

This grim prediction of the future of Asia fists well my prediction of Northeast Asia around 2030. By interweaving the insight from Friedberg’s seminal work and the prediction on the future of the two Koreas which the previous sections outline, I contend that the most possible future of Northeast Asia can be summarized into ‘rampant rivalries’ whose relations are characterized by a chronic instability and small-scale militarized disputes of varying kinds. The reasons why I come up with such dire prediction are as follows:

First, Northeast Asia is heading toward instability and heightened hostilities largely because of new fault-lines rising hegemon is creating by facing off existing hegemon. China, by all aspects, is ascending as a global hegemon as well as a regional hegemon and clashing with the US over

9) Aaron Friedberg, “Ripe for rivalry: Prospects for peace in a multipolar Asia,” *International Security* Vol. 18, No. 3 (1993/4), pp. 5–33.

almost every issue at stake. The two titans have been engaged in a head-to-head struggle for territorial and maritime claim over islands in the South China Sea. They just finished off the 1st round of trade war and hinted for currency war and war in cybersecurity. China has been increasingly hawkish in dealing with Taiwan and Hong Kong problem while US standing firm against China's such unilateral move. China has made a systemic effort to control of the Senkaku/Diaoyu islands, which is now possessed by Japan while US has tried to nullify the effort by supporting Japan's effective control of the islands. The US wants China to rein in North Korea for the resolution of its nuclear challenge while China is still unwilling to push the North into abandoning nuke because it still views it a buffer state. So, the new fault-lines rising China is creating by facing off US have rapidly been emerging in Northeast Asia, resulting adding new layers to old-fashioned hostilities in Northeast Asia.

Given this, the failure of negotiated solution of the North's nuclear problem adds another layer of hostility to existing ones. After realizing that the US has little interest in resolving its nuclear challenges, the North will likely return to a strategy of nuclear provocation in the foreseeable future. It will soon succeed in testing both ICBM and SLBM and in deploying them against the US. This does not mean that the North is likely to attack US military bases either in Guam or in Japan. Instead, it means that it will become militarily more provocative for obtaining more concession from the US. Given the persistence of tight rivalry between China and US, therefore, the North's nuclear provocations will significantly destabilize security landscape in Northeast Asia. At the worst case scenario, the US and its allies should prepare to the further consolidation of Sino-DPRK alliance as we witnessed during the Cold War. Right now, it seems that China becomes willing to work with the US to solve nuclear problems the North has created relying both on diplomatic pressure and on economic sanctions. As

the rivalry between US and China deepens, however, China's perceived value of the North as a buffer against US military engagement in Northeast Asia will increase, leading to consolidation of Sino-DPRK military cooperation.

Second, the chance that China and Japan can form a military rivalry will increase over time. Japan, which served as a linchpin of the post-War stability in Northeast Asia, has displayed a dramatic change in its foreign and security policies. Alarmed by unilateral moves rising China is making in the region and elsewhere, Japan is dismantling its post-war constraints, which prevent its return to militarism. It has not only adopted an active security policy of defending national interest in the Senkaku/Diaoyu islands, but also removed domestic political hurdles such that it is more capable of dispatching Japanese Self Defense Force abroad. The North's missile provocations offer a cover for Japanese leaders to justify their shift to foreign policy activism. Allegedly, North Korea has already launched several long-range missiles over Japan. Nuclear tests the North has conducted so far has posed serious security threat to Japan in an automatic manner. So long as the North's nuclear problem remains unresolved, its military provocations such as another nuclear test and medium-and long-range missile launches over Japanese territory are inevitable. Accordingly, Japan is likely to continue its shift to proactive foreign and security policies.

The relationships between South-and North Korea, as I pointed out in the previous section, are likely to develop in a highly dangerous manner. Above all, the US has little interest in making diplomatic concession to nuclear North while the North has little interest in abandoning nukes without US concession. Thus, the outcome will likely be a diplomatic stalemate or status quo. Against the backdrop of the stalemate, the North will continue to provoke U.S. and South Korea over nuclear issues. The

7th-and 8th round of nuclear test will be just around the corner. The North also is likely to succeed both in developing ICBM/SLBM and in launching them into the East Sea or into the sea around Guam as an attempt to force U.S. to sit on negotiation table again. But, US, who is keenly aware of the North's intention, are likely to respond to missile launching with military retaliation, although it is short of war. South Korea will follow the suit the US set forth. Under this circumstance, the Korean peninsula will be engulfed into a series of military crises.

The relationship between South Korea and China will be relatively stable. Compared to other relationships of major Northeast Asian stakeholders, the two countries' relations will develop on the principle of mutual gains and consequential cooperation. No territorial conflicts do not exist between them. They are relatively free from the disagreements on the past history they has shared since WWII. But, the chance of cooperation between the two neighbours primarily depends on the relationship between U.S. and North Korea and on the relationship between US and China. Most recently, US, instigated by North Korea's continued missile provocations, deployed THAAD (Terminal High Altitude Aerial Defense) in South Korea, which results in China's resentful reaction and strong request of removing it from the Korean Peninsula. Despite South Korea and U.S. allegation that THAAD missiles would serve only defensive purpose, China still views it as a serious security threat to China and continues to impose economic sanctions on South Korea. Accordingly, the relationship between China and South Korea has hit the bottom since their normalization of diplomatic relationship in 1992. Moreover, China has consistently sent its signal that South Korea should not be allied with U.S. which has geared up its effort to encircle China by fortifying its military commitments with such Asia-Pacific countries as Japan, India, Australia, and the Philippines. So, the future relationship between China and South Korea has some risk of becoming

conflictual rather than cooperative largely because of these external factors.

It is also important to notice that two quasi allies in North East Asia-i.e., South Korea and Japan, have been experiencing systemic decline in their relationship since the mid-2000. The two countries are still allies of US but are not allied to each other. This is why they are called 'quasi allies.' Over the past three decades, South Korea and Japan have developed quite cooperative relationship based upon mutual respect and keen awareness of benefits from economic cooperation. But such relationship has begun to fall apart when historical revisionism has appeared in Japanese politics and when Korean civil society has revealed novel evidence of Japanese brutal domination of Koreans during its colonial period. When these two domestic political dynamics were synchronized, the two quasi allies have been engulfed into a history war in which Korea constantly demands Japan's complete apologies of its colonial past and Japan doggedly refuses the apologies. So, the disagreements, combined with volatile domestic politics on both sides, have present severe impediments to the mutual cooperation of the allies. During the period of 2018-2020, the two quasi allies finally have been stuck in a vicious cycle of economic sanction against each other. All other issues of immediate needs have been delayed.

In sum, the most possible future of Northeast Asia is the one dominated by the logic of international rivalries. Each pair of East Asian states has a full potential to transform into international rivalries in which the states in rivalries prefer confrontation over cooperation and view the relationships against each other through the lens of relative gains. U.S.-China relationship has already entered into a heightened rivalry while China and Japan have hinted of forming military rivalry beyond simple historical rivalry in which they simply clash over the Senkaku/Diaoyu islands. The two Koreas are not an exception. They've already in a rivalry and

maintained militarized competition punctuated by diplomatic engagement by US and South Korea over many decades. As the power competition between US and China deepens, however, the two rivals' incentives to resolve nuclear problems at negotiation tables will decrease. China will want North Korea to serve as a security buffer against US force in Northeast Asia while US will try to use US troops in South Korea to act as strategic assets toward militarily rising China. This will facilitate the worsening of the relationship between China and South Korea. From Chinese perspective, US deployment of THAAD is immediate security threat to China. Accordingly, China will increase its pressure on South Korea to remove THAAD from the Korean Peninsula, which is not commensurate with US security interest in Northeast Asia. So, the future of Northeast Asia will be full of risk of inter-state rivalry and small-scale militarized dispute over the issues of common concern.

The Most Preferred Future of Northeast Asia

When discussing the future of security in the world and in a specific region, scholars and experts in international relations have a relatively simple preference. That is stability and peace. From security experts' perspective, the world tends to be interpreted in terms of binary variable-i.e., instability vs. stability or war vs. peace. With regards to Northeast Asia, therefore, the most preferred future is definitely 'peace' and 'stability.' Most scholars and experts have striven to examine the ways of achieving this terminal goal in various ways. Accordingly, diplomacy, economic integration, balance of powers, and international regimes or institutions have been offered by experts and scholars as the ways of ensuring peace and stability. The Northeast Asia is not an exception to this trend.

The problem, however, is that solution from experts and scholars for achieving peace and stability is quite different. Realists focusing on a vicious cycle of power competition between great powers always believe that balance of powers is once-and-for-all solution to war and instability. Liberalists, by contrast, believe that the so-called pacifying effect of economic transactions such as trade and foreign investment. Consequently, they claim that promoting 'liberal' economic integration between states is only viable solution for peace and stability. Applied to the Northeast Asia, therefore, realists' preferred future is the one in which balance of powers between US and its allies, and China and its allies is tightly maintained. From liberals' vantage point, the most preferred future of the Northeast Asia is economic integration featured by highly level of bilateral trade and investment whose implementation is coordinated by international institutions and organizations.

But the paper contends that in the Northeast Asia where military international rivalries will pervade in coming years, the most preferred future is the one in which both realist and liberal solutions are combined to create a strong momentum for stability and peace. First, as realists pointed out elsewhere, there should be balance of power between US and China in the future Northeast Asia. The power shift toward either of two hegemon entails a great risk of power domination by more powerful side. That is the law of great power politics.¹⁰⁾ If U.S. entirely dominates security landscape of Northeast Asia, China and North Korea will get closer and launch risk military challenge toward U.S. and its allies, leading to an increased chance of militarized dispute. If China dominates the scene, by contrast, U.S., Japan, South Korea, and Taiwan will coalesce into anti-Chinese bloc and issue military challenge to China, which raises up the

10) John J. Mearsheimer, *The Tragedy of Great Power Politics* (New York: W. W. Norton & Company, 2001), pp. 361-363.

possibility of military conflict. Both scenarios are inherently unstable and prone to conflict and war. So, the balance of power between pro-Chinese bloc and pro-US bloc should be restored and it is to be the most preferred future in Northeast Asia. Under this circumstance, two blocs are the most likely to act upon self-restraint, fearing that their unilateral moves will invite others' retaliatory moves. So, the balance of power between two superpowers will create diplomatic rooms between rivals in Northeast Asia in which they discuss and resolve issues of common concerns.

But, simple balance of power can never guarantee both stability and peace in Northeast Asia. Just minor change in power of either of the two blocs will give a chance to exploit each other. Grounded in calculated balance of powers, therefore, Northeast Asian states must create a cob-web of economic interdependence sealed by international organization. Before Trump came to power, such economic dynamics had flourished in Northeast Asia. Now, Trumpism is gone and Biden, who is strongly supportive of multilateralism and globalization, is back. So, Northeast Asian states must make determined efforts to expand and deepen multilateral economic cooperation and to create regional economic institutions, which will formalize the cooperation. As the states trade more, their interdependence will increase. This leads to economic deterrence in which states will not use military forces for advancing their territorial and security interests, fearing that doing so risks their whole economic fortunes. So, the most preferred future in Northeast Asia is the stability and peace supported by dual dynamics of balance of power and economic integration.

Policy Suggestions

The question remains is how to narrow the gap between the most possible and preferred futures in Northeast Asia. The paper offers the prediction that the most possible future of Northeast is the prevalence of international rivalries which have considerable risk of militarized dispute over various issues at stake. China and US have already displayed textbook example of great power rivalry in Northeast Asia. China and Japan have been moving toward a full-blown regional rivalry by beefing up its military capabilities and fiercely competed against each other over the Senkaku/Diaoyu islands. The two Koreas have failed again to resolve security dilemma instigated by North Korea's development of nuclear weapons and been returning to an old-fashioned military rivalry. The relationship between Japan and South Korea has hit the bottom largely because of disagreements on the past history and continued to clash over the ownership of the Dokto/Takeshima islands. The most cooperative relationship between China and South Korea has frozen very recently as a result of the South's decision to deploy US THAAD on the Korean Peninsula, which results in the fortification of Sino-Russo military cooperation.

For shifting such dire future of Northeast Asia to more peace-prone future, therefore, each of Northeast Asian states has its own task to do. First, China needs to realize that its recent move has a full potential to be viewed by neighbouring countries, including U.S., as unilateral power projection by rising hegemon. Its aggressive move both in the South China Sea and in the East China Sea sends a strong signal to Northeast Asian countries that China is not a status quo power any more. Many Japanese leaders, for instance, believe that China have already abandoned diplomatic option in dealing with the Senkaku/Diaoyu islands disputes. US leaders, allied with Taiwanese leaders, has begun to believe that China's policy

toward Taiwan will be turn more aggressive if situation is ripe. South Korea and U.S. still believe that China has little interest in dismantling nuclear North. All these countries also worry that Chinese Communist Party (CCP) has intentionally promoted exclusive nationalism and used it for expanding its influence abroad. Keenly aware of surge of the worry of other Northeast Asian countries, therefore, China needs to show considerable self-restraint both in territorial dispute and in key security issue like Taiwan and North Korean problem.

If China takes such conciliatory gesture, U.S. needs to embrace China's rise as it is. Given historic rise of economy, China's military rise is inevitable. By admitting that China is a responsible stakeholder in Northeast Asia, U.S. should consult a wide range of geopolitical and economic issues with China. Regarding the consultation, U.S. needs to use properly both bilateral diplomacy and multilateral diplomacy relying on regional institutions like the ASEAN Regional Forum (ARF) and Asia -Pacific Economic Cooperation (APEC).

U.S. also should help its two allies-i.e., South Korea and Japan-walk out of the burdens of the past. For U.S. to create a momentum of cooperation for China, the cooperation from these two allies is essential. But the two allies have been backsliding into a history war because of their diametrically opposing interpretation of the past history. By drawing a fine line over the interpretation of the history, U.S. should help the countries develop future-oriented relationship by putting aside the old-fashioned historical animosity. As a winner of WWII, especially, US needs to make it clear that recent Japan's effort to rewrite its war-time history is simply wrong and that its efforts to revise its past would be destined to fail.

Against the backdrop of this careful coordination of differing perception of national interests and of the past history, all Northeast Asian states

should get back to the six-party talks by inviting Russia and North Korea again. The most immediate and important destabilizing factor in Northeast Asia is North Korea's nuclear provocations. It will always invite US military engagements, which result in China's fear of being encircled by US forces in South Korea and Japan. It also will constantly demand that South Korea and Japan be militarily prepared for possible attack from the North's missile attack. Only a viable solution to this common security problem is to offer collective security guarantee to North Korean leadership, which is obsessed with survival. As many Chinese experts and scholars admitted, the only solution to this problem is a deal derived from six-party talks format.

If these policy suggestions are adopted and implemented by the leadership of each of Northeast Asian countries in a consistent manner, the region will get closer to the most preferred future-i.e., East Asia dominated by the logic of stability and peace. If the countries continue to stick to current policy practices based upon their myopic interpretation of national interest, however, the future of Northeast Asia will be the world full of inter-state rivalries in which mutual suspicion and military exploitation are a norm rather than an exception.

PART II

**Japan's Foreign Policy and Security
Posture in 2030**

PART II

Japan's Foreign Policy and Security Posture in 2030

NATIONAL ASSEMBLY FUTURES INSTITUTE

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Japan at a strategic crossroads?

Japan in 2020 witnessed a key landmark in the development of its foreign and security policy with the announcement by Prime Minister Abe Shinzō on 28 August of his intention to step down from office, and then the subsequent accession to the premiership of Suga Yoshihide on 14 September. Abe, in office for his second term from December 2012 onwards, had proved to be the longest serving prime minister in Japanese constitutional history and thus provided a largely unprecedented degree of continuity and dynamism for Japanese foreign policy, even if with mixed outcomes and some missed opportunities. Abe's dominance of the domestic and foreign policy-making was so total that he arguably generated a new 'Abe Doctrine' that placed Japan on a more assertive strategic trajectory.¹¹⁾ The Abe Doctrine sought to displace the formerly dominant 'Yoshida Doctrine' that originated with Prime Minister Yoshida Shigeru (in office 1946-1947 and 1948-1954) and came to set Japan's post-war course in foreign and security

11) Christopher W. Hughes, *Japan's Foreign and Security Policy Under the 'Abe Doctrine': New Dynamism or New Dead End?*, London, Palgrave Macmillan 2015; Hugo Dobson, 'Is Japan really back? The "Abe Doctrine" and global governance', *Journal of Contemporary Asia*, vol. 47, no. 2, 2017, pp. 199-224; Giulio Pugliese and Alessio Patalano, 'Diplomatic and security practice under Abe Shinzō: the case for realpolitik Japan', *Australian Journal of International Affairs*, vol. 76, no. 4, 2020, pp. 615-632.

policy—characterised by a minimalist defence posture, reliance on US security guarantees, if with heavy hedging, and cautious diplomatic and economic reengagement with East Asia and China—on a fundamentally revised approach to grand strategy.¹²⁾ Abe's new doctrine was now to push Japan towards assuming a stronger national military profile less fettered by constitutional constraints, performing a role as a more active US-Japan alliance partner, and attempting to exercise more overt leadership in East Asia and a mix of cooperation and competition with China.¹³⁾

Hence, the transition of power away from Abe to Suga now raises questions about the degree to which Japan will maintain the Abe Doctrine or deviate from it and provides an opportune moment to consider where Japan as an increasingly important military actor and still the third largest economy in world will steer its grand strategy over the next decade until 2030. Japan's choices in grand strategy will clearly matter greatly in terms of the direction of the US-Japan alliance and the new Joseph R. Biden administration's Asian policy; the future state of Sino-Japanese relations and China's positioning of its continued rise in the region; and relations with Japan's neighbours, including vitally ties with the Republic of Korea (ROK) and the development of regional economic and security cooperation frameworks.

The argument of this paper is that Japan is most likely to continue the strategic direction set by Abe during his long stint in power, and, indeed, was also already becoming evident under Abe's predecessors, whether from

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- 12) John W. Dower, *Empire and Aftermath: Yoshida Shigeru and the Japanese Experience, 1878–1954*, Cambridge, Massachusetts: Harvard University Press, 1988, pp. 371–77; Richard J. Samuels, *Machiavelli's Children: Leaders and Their Legacies in Italy and Japan*, Ithaca, New York: Cornell University Press, 2003, pp. 203–11.
- 13) Christopher W. Hughes, 'Japan's grand strategic shift: from a Yoshida Doctrine to an Abe Doctrine?', in Ashley J. Tellis, Alison M. Szalwinski and Michael Wills (eds.) *Strategic Asia 2017–18: Power, Ideas and Military Strategy in the Asia-Pacific*, Washington, Seattle: National Bureau of Asian Research, 2017, pp. 72–105.

his long-running governing Liberal Democratic Party (LDP) or during the brief alternation of power to the Democratic Party of Japan (2009-2012).¹⁴⁾ The Abe administration to a large extent capitalised on the work its predecessors had set in train but also moved faster and more boldly—energised to a certain extent by strong revisionist ideological leanings—to shift the trajectory of Japan's strategy. Abe's successors have not only inherited his eponymous doctrine but also the same international and domestic structural conditions that shape its advent and development. Hence, these conditions continue to set the probable direction of Japan's foreign and security policy post-Abe and well beyond. Although, this is not to say that the Abe Doctrine carried all before it with entirely optimal choices and outcomes for Japan's international role. This means that while the broad framework of Japan's grand strategy has been set in motion by Abe, his successors may seek to tack away from and even diverge from its trajectory on some issues of implementation.

This short paper assesses Japan's strategic direction towards 2030 in four sections. The first analyses Japan's domestic situation towards 2030 in terms of its national power, domestic policy-making systems, and appetite for foreign policy initiatives. The second considers Japan's assessment of the surrounding international environment and especially relations with the US and China, the strategic dilemmas this will continue to pose, and Japanese probable policy responses. This section also considers where diplomacy with other states fits into Japan's perception of the international structure and how to respond. The third section then provides some focus on Japan's security policy responses, with its military posture having gained increasing attention over the last few years, and questions of how far this is

14) Christopher W. Hughes, 'The Democratic Party of Japan's new (but failing) grand strategy: from Reluctant Realism to Resentful Realism?', *Journal of Japanese Studies*, vol. 38, no. 1, Winter 2012, pp. 109-140

the sustained trajectory for Japan. The fourth section examines Japanese economic statecraft and how it will seek to continue to influence regional frameworks for cooperation that may equip it to respond to the challenges posed by the US and China.

Japan as a strategic actor in 2030

As noted in the introductory section, Japan remains and is set to remain as a very significant economic power over the next decade, likely continuing in its position as the third largest economy globally and still disposing of considerable financial resources, official development assistance, and advanced technology. The Abe years, through the deflation-fighting and stimulus policies of ‘Abenomics’ and tapping into the general global economic recovery after the financial crisis of the late 2000s, saw largely continuous, if unspectacular, economic growth.¹⁵⁾ Nevertheless, as an advanced and mature economy, Japan faces considerable long-term challenges to maintaining its economic edge and, in fact, will likely continue on a path of a relative economic decline. Abenomics was somewhat successful in tackling deflation and restoring economic confidence but gained less traction in achieving structural economic reforms that are perceived as necessary for fully revitalising Japanese economic fortunes. The impact of COVID-19, as for all advanced economies, has greatly set back economic recovery. The Japanese economy into 2030 will continue to have growth dragged by the debt-to-GDP ratio which at times approaches 250 percent. Most challenging for Japan long-term are its demographics—with an ageing profile and the overall population estimated to decline by five percent to

15) Matthew P. Goodman, ‘Assessing Abe’s economic statecraft’, CSIS, 31 August 2020, <https://www.csis.org/analysis/assessing-abes-economic-statecraft>.

around 120 million by 2030.¹⁶⁾ Japan is unlikely to generate growth to replace the population loss, even with some signs of allowing more foreign labour or greater use of automation, and the ageing population will impose significant costs on welfare and health budgets. In turn, Japan's need to cope with these economic conditions, will likely constrain its ability to mobilise national resources to project international influence in terms of ODA and defence budgets.

Japan's domestic political situation is likely to remain stable over the next decade. The LDP was displaced from power briefly by the DPJ in the late 2000s but this was due to an unusual combination of LDP flawed prime ministerial leaderships, mounting policy failures, and global economic downturn, as well as changes to the domestic electoral coming newly to fruition. The LDP clearly faces a host of challenges in 2020 with COVID-19 and renewed political funding scandals. Prime Minister Suga very early on in his tenure has seen his popularity ratings drop precipitously.¹⁷⁾ All the same, though, the LDP is unlikely to repeat and compound the policy mistakes of the late 2000s and easily relinquish power. Most helpful for the LDP is the lack of an effective opposition, with the main parties divided, lacking domestic legitimacy, and unable to mount an effective electoral coalition against the LDP for the last eight years. The most likely scenario, as for the last sixty-plus years, apart from the brief DPJ interlude of 2009-2012, is continued LDP dominance in power. In addition, the LDP will probably remain dominated by its most conservative and right-wing factions as it has been for the last decade. The faction that Abe has hailed from, the revisionist *Seiwa Seisaku Kenkyūkai* (or currently Hosoda faction), has

16) Lynann Butkiewicz, 'Implications of Japan's changing demographics', National Bureau of Asian Research, 10 October 2012, http://www.nbr.org/downloads/pdfs/ETA/ES_Japan_demographics_report.pdf.

17) 'Japan PM Suga's approval rating plummets as discontent with govt's COVID-19 measures rises', *The Mainichi Shimbun*, 14 December 2020, <https://mainichi.jp/english/articles/20201214/p2a/00m/0na/003000c>.

produced the majority of LDP prime ministers over the last two decades, remains the largest in the party, and has co-opted many other factions in its programme for government. The moderate mainstream of the LDP lacks effective leadership. Suga does not draw on a factional base which has led to the re-emergence of inter-factional cooperation to appoint the prime minister but there is no doubt that his administration remains heavily influenced by Abe's supporters.

The prospect for Japan's domestic politics—barring an extraordinary occurrence or revival of opposition forces—is thus continued LDP government and the dominance of its revisionist wing. This revisionist wing is set upon carrying on the work of Abe in removing political obstacles at home to Japan playing a more active international role, such as constitutional prohibitions and anti-militaristic principles, and asserting for Japan a more prominent and autonomous international profile.

Japan's continued relative political stability making for a proactive foreign will be reinforced by the changes to policy-making structures for foreign and defence policy. Many of these were in train before Abe's accession to power, but his administration effectively capitalised upon and consolidated them. Most notably, the Abe administration was able to overcome much of the traditional fragmentation of Japanese foreign policy-making by significantly strengthening the central coordinating role of the prime minister's office, or Kantei, over diplomacy and defence policy.¹⁸⁾ The creation of Japan's first National Security Council and National Security Strategy in 2013 further buttressed the role of the prime minister and gave greater cohesion to policy-making.¹⁹⁾ Hence, Abe's successors will inherit a policy-making

18) Aurelia George Mulgan, *The Abe Administration and the Rise of the Prime Ministerial Executive*, London: Routledge, 2017.

system that should allow for Japan to continue to play an effective international role.

Japanese assessments of the strategic landscape by 2030

If Japan's domestic outlook is relatively similar and stable across the rest of this decade, then the international prospects are also likely to proceed along similar trendlines, although promising less stability, dominated as they are by relations with the US and China.

Japan's grand strategy, as for the entire post-war period, will continue to be set in relation to the US-Japan relationship and the US's role in the international system. Japan regards itself as essentially a status quo power, highly attached to the key frameworks of the liberal international order established by the US in the post-war period. Although not all strains of Japanese policy-making opinion buy into every aspect of the US liberal order devised after the war (and many conservative revisionists resent the political liberalism imposed externally on Japan's domestic polity), on the whole they acknowledge the economic gains brought to Japan from free markets and the security guarantees of the US-Japan security treaty and the broader US security architecture in the Asia-Pacific region. Nevertheless, Japanese policy-makers whilst recognising the continued primacy of the US across the decade also perceive, as they have for several decades hitherto, the US's continued relative hegemonic decline.²⁰⁾ For Japan this is seen in

19) Adam P. Liff, 'Japan's National Security Council: policy coordination and political power', *Japanese Studies*, vol. 38, no. 2, 2018, pp.253–279; Japan Cabinet Secretariat, 'National Security Strategy', 17 December 2013, <https://www.cas.go.jp/jp/siryou/131217anzenhoshou/nss-e.pdf>.

20) Michael J. Green, 'Reassuring presence: Japanese assessments of US power', in Craig S. Cohen, *Capacity and Resolve: Foreign Assessments of US Power*, Washington DC, Center for Strategic and International Studies, June 2011, <http://csis.org/publication/capacity-and-resolve>, pp. 22–26; Tsueno Akaha, 'Japan's

the waxing and waning of previous US administration's attention to the Asia-Pacific region, its willingness to bear the cost of upholding the liberal trading and international order, and to commit unconditionally to the defence of its allies.

Although the trend of US relative decline has been long-term and in no way linear, the advent of the presidency of Donald J. Trump in many ways pointed to the convergence of many of these trends and the renewed impact on its Asian allies. Trump's 'America First' approach to foreign policy and transactional approach to alliance ties pointed up in sharpest relief for Japan its traditional alliance dilemmas of entrapment and abandonment. Trump's bellicose language at first against North Korea indicated risks of entrapment. His administration's assertive stance against China was in part welcomed in Tokyo as a means to counter China's temptations to throw its weight around in the region and especially on Sino-Japanese territorial issues, but also indicated risks of entrapment if Japan were to become indirectly embroiled in diplomatic and economic frictions between the US and China or even dragged into an unwanted military conflict. Tokyo also started to fret over the risks of abandonment as the Trump administration rapidly shifted to rapprochement with North Korea, largely leaving Japan's security interests unaddressed.

Japan has been given some relief with the passing of the Trump administration in 2021 and inauguration of President Biden that offers a more predictable pattern of US foreign policy behaviour until the mid-2020s. But the experience of Trump has reminded Japanese leaders of the need to

security policy after US hegemony', in Kathleen Newland (ed.) *The International Relations of Japan*, Basingstoke, Macmillan, 1990, pp. 154–169; Tokyo Zaidan Seisaku Kenkyūbu, *Atarashii Nihon no Anzen Hoshō Senryaku: Tasō Kyōchō-teki Anzen Hoshō Senryaku*, October 2008, <http://www.tkfd.or.jp/admin/file/pdf/lib/6.pdf>, pp. 7–8

more actively maintain strong ties with the US and the importance of attempts to steer the US away from behaviour that jeopardises Japan's economic and security interests and threatens to undermine the liberal order.

The other constant for Japan's foreign policy attention into 2030 is inevitably dealing with the rise of China. Japanese analysts are sure that China will continue to rise and may reach increasing levels of parity with the US in the region in terms of economic presence and military clout. They are also aware, however, that China's rise, just like the US's relative decline, will not be linear. Japan faces risks not only from a rising China, but also one which may be subject to economic instability, and even political instability, as its rate of development slows and its own poor demographics start to take hold. This mix of growing power but also instability, possibly spilling over into greater nationalism, and then into Sino-Japanese relations over disputed territories and maritime security, poses great challenges for Japan. Tokyo is aware that its destiny is to a large degree inescapably bound up with China as its largest neighbour and as a rapidly growing international power. The necessity for Japan is to try to engage China wherever possible, and especially economically and politically. Even Abe, regarded as hawkish on China, sought to engage China if possible. But Japan also has to be wary of China's rise and much of its policy energy will be focussed on devising means to co-exist with China whilst also curbing its influence where necessary.²¹⁾

Moreover, in addition to Japan's need to deal with the dyadic relationships

21) Christopher W. Hughes, 'Japan's Resentful Realism and balancing China's rise', *Chinese Journal of International Politics*, vol. 9, no. 2, Summer 2016, pp. 109–150; Sheila A. Smith, *Intimate Rivals: Japanese Domestic Politics and a Rising China* (New York: Columbia University Press, 2015); Bjørn Elias Mikalsen Grønning, 'Japan's Shifting Military Priorities: Counterbalancing China's Rise', *Asian Security*, vol. 10, no. 1, 2014, pp. 1–21.

with the US and China respectively, its task is complicated by the US-China bilateral relationship and Japan's being pulled into a strategic triangle, or most uncomfortable still becoming squeezed between the contending interests of the two other powers. Japanese policy-makers will thus watch carefully if any new approach towards China emerges from the Biden administration. The early concern is that Biden may be primarily concerned about US-China economic competition and relatively neglect security issues to the detriment of Japan's evident interests.

Japanese foreign policy responses

US-Japan ties

Japanese policy-makers' evaluation of the US's long-term decline but nonetheless still crucial role it plays in providing for a beneficial international system and one highly preferable to any form of China-dominated region, means that their essential impulse for the rest of this decade is to do more to bolster the US-led order, either through Japan's own individual efforts or with within the US-Japan alliance context. Japan has been attempting elements of this role since the late 1970s, with the first efforts at 'burden-sharing' with the US to counter the then rising threat of the USSR in East Asia, taking the form of an enhanced defensive 'shield' role for the JSDF to complement the US's offensive 'spear' and increasing 'strategic' ODA in the region. In the post-Cold War period, Japan has incrementally and with a fair deal of continued hedging reformulated the US-Japan alliance to expand the geographical and functional scope of JSDF military cooperation. More recently, the Barack Obama administration's 'rebalance' towards Asia, and the Trump administration's direct pressure on allies to reciprocate for US security guarantees, has convinced Japanese policy elites

that their nation's security can only be secured through greater collective efforts with the US in particular but also other states. Moreover, the US's commitment at first but then drawing back from the TPP has raised questions of how far the US is willing to undergird the global trading order without assistance from like-minded states.

Japan must, therefore, do more to bolster and facilitate the US engagement in the region, or risk renewed issues of abandonment or entrapment, is the conclusion of its policy-makers.²²⁾ Japan should look to do more individually in terms of its own diplomatic leadership and military capabilities, but also do more within the alliance to back the US. Japan's preference is to work with the US, but where this is not possible then to complement the US role or to fill in gaps in leadership left by the US. The Abe Doctrine was particularly committed to this approach, with Abe deciding that the best way to head off risks of US non-engagement was for Japan to prove itself to be an ally with agency, capable of delivering leadership and support to the US in the region, and that would thus be taken more seriously as an equal partner capable of influencing US strategy.²³⁾

Japan is likely to hew to this position and support for shoring up US hegemony over this decade and it is hard to imagine any kind of strategic breakout from this position. For sure, Japanese policy-makers will remain watchful of the US's relative power position and commitment to the region, and attempt to avoid unconditional support for the US and maintain an element of hedging. But Japan will only break away from the US in the most desperate of strategic situations given the high political, economic

22) Adam P. Liff, 'Unambivalent alignment: Japan's China strategy, the US-Japan alliance, and the "hedging" fallacy', *International Relations of the Asia-Pacific*, vol. 19, no. 3, 2019, pp. 453-491.

23) Christopher W. Hughes, 'Japan and Indo-Pacific security', in Tim Huxley, Lynn Kuok and William Choong (eds.) *Asia-Pacific Regional Security Assessment 2020: Key Developments and Trends*, London, 2020, pp. 71-85.

and military costs of attempting to establish full autonomy. This Japanese breakout might only come with the total failure of US security assurances vis-à-vis North Korea (the Biden administration's current toying with the idea of 'arms control' talks with the North, for instance, might presage for Japan the possibility of abandonment), or the failure of US ability to deter China in arenas such as the Southeast China Sea and East China Sea.²⁴⁾

Sino-Japanese relations

As noted in previous sections, China remains of crucial importance to Japan economically and although Japanese policy-makers and businesses will continue to diversify away from China to avoid asymmetric dependence, the reality of economic interdependence cannot be avoided. Japan must, therefore, continue to engage China economically, and this must be complemented by efforts for functioning political ties. Japan's policy-makers, however, and taking their lead from the Abe Doctrine, have concluded increasingly that China can only be engaged from a position of strength. Indeed, the conviction is that China is a country that only respects and will respond to strength in managing ties with Japan.²⁵⁾

The result is that Japan will pursue a policy of selective engagement with China, seeking out economic synergies where possible, such as recent tolerance of the BRI initiative, but also countering China's assertiveness where deemed necessary. This means Japan boosting its own military strength in partnership with the US. It also means articulating alternative

24) 'Trump exist prompts calls for arms control offer to Kim Jong Un', The Financial Times, 1 December 2020, <https://www.ft.com/content/7ad578af-e493-4974-9aa4-63e971662ab0>.

25) Jeffrey W. Hornung, 'Japan's Growing Hard Hedge Against China', *Asian Security*, vol. 10, no. 2, 2014, pp. 97-122.

visions of regional order where necessary, such as Japan's promotion since 2016 of the concept of the Free and Open Indo-Pacific (FOIP) and based on the 'universal' values of the rule of law, economic liberalism and respect for human rights.²⁶⁾

Japan's strategy may then become reminiscent of talk in the mid-1990s in the US of the 'congame' of China, with an attempt to mix containment and engagement simultaneously and where appropriate.²⁷⁾ Japan's leaders will also hope that by standing up to China but looking for opportunities for engagement, whilst at the same time keeping the US engaged but trying to moderate its strategy, that it can avoid the nightmare scenario of becoming caught between the US and China with no say on its own destiny in this power struggle.

Japan's regional relations

Japan's overriding concern to manage ties with the US and China into 2030 will surely continue to strongly influence the direction of its ties with other key regional partners. ASEAN states for much of the post-war period have offered an arena for Japan to exercise economic leadership and to seek to convince increasingly that it is an unthreatening security partner. China's rise has impinged on Japan's influence in Southeast Asia in the past two decades, but Japan is already looking to counter Chinese influence in the subregion by redoubling its own economic engagement through economic aid, quality infrastructure projects and trading regimes. The Abe Doctrine set reasserting Japan's influence in Southeast Asia as a crucial

26) Ministry of Foreign Affairs Japan, Japan's Efforts for a Free and Open Indo-Pacific, May 2020, https://www.mofa.go.jp/policy/page25e_000278.html

27) Zalmay M. Khalizad, Abram N. Shulsky, Daniel L. Byman, Roger Cliff, David T. Orletsky, David Shalpak, and Ashley J. Tellis, *The United States and a Rising China: Strategic and Military Implications*, Santa Monica: CA, RAND, 1999.

objective and his successors will also follow this policy, with Prime Minister Suga making his first regional visit to the subregion in 2020 and looking to foster cooperation through support for digital infrastructure projects.²⁸⁾ Abe further sought to improve maritime security cooperation with key ASEAN states through the transfer of Japan Coast Guard (JCG) vessels and increased Maritime Self Defence Force (MSDF) exercises and port visits. Again, Abe's successors will find foster improving ties with ASEAN states as an essential strategic objective in order to ward off Chinese influence in this subregion and in turn the wider region.

Abe in both his first and second administrations, and continued by other LDP and DPJ governments, further sought to improve strategic ties with India as another essential counterweight to China's influence, with India perceived particularly favourably by Japanese policy-makers as a strategic partner due to its size, economic dynamism, shared interest in maritime security and democratic status. Japan under Abe certainly advanced bilateral ties, and also succeeded in rebooting the US-Japan-Australia-India Quadrilateral Security Dialogue, or 'Quad'. But notwithstanding this progress in relations, Japan, as for other would-be partners, has still found India a difficult partner to fully engage with given the latter's traditional standoffish-ness and non-alignment stance. Doubtless, though, Japanese policy-makers will continue to work hard to bring India onto to its strategic side to moderate China's influence. Similarly, Japan will continue to build to press hard to develop security ties with Australia that is starting to approximate a genuine 'quasi-alliance' with agreements on technological defence cooperation, logistics and joint training.²⁹⁾

28) Corey Wallace, 'Japan's strategic pivot south: diversifying the dual hedge', *International Relations of the Asia-Pacific*, vol. 13, no. 3, pp. 479–517.

29) Tomohiko Satake and John Hemmings, 'Japan–Australia security cooperation in the bilateral and multilateral contexts', *International Affairs*, vol. 94, no. 4, 2018, pp. 815–34.

Japan's policy-makers are also likely to persist with notions of an Indo-Pacific region in order to keep the US and India engaged in its new grand strategy and to broaden out the range of partners to check a China-centred view of the region. The exact longevity of FOIP as a concept articulated by Abe and picked up by the Trump administration might be questionable. Both Suga and Biden appear to favour talking more about a peaceful and prosperous Indo-Pacific and to emphasise less the free and open aspects.³⁰⁾ But Japan's emphasis on the benefits of the wider Indo-Pacific concept is likely to endure.

If Japan has made some headway with these partners and regional concepts in recent years and will continue along these lines for the foreseeable future, then two areas where its strategy have been less successful and will require some recalibration are Russia and the Korean Peninsula. Abe in the latter stages of his administration ploughed considerable diplomatic energy into attempting to reach a peace treaty with Russia, and employing a 'new approach' of seeking improved economic ties and the initial return of just two of the four islands in the Northern Territories/Kuril Islands dispute, with Abe-Putin bilateral summits running to a total of twenty-seven. Abe in the end failed in his diplomatic strategy as Putin proved evasive on the actual return of the islands and added new conditions for their return that were near unacceptable for Japan. Abe's lack of progress in diplomatic talks meant also frustration for his hopes of detaching Russia from constant support of China's interests in East Asia.³¹⁾ Abe's successors will doubtless return to attempts for a peace treaty and to bring Russia more on side in dealing with China over the next few years, but the chances for success appear remote.

30) 'Jiyū de hikareta Indotaiheiyō Bei jiki seiken dō suru', *Asahi Shimbun*, 8 December 2020, p. 4.

31) 'Abe's failed Russian strategy in urgent need of makeover', *Asahi Shimbun*, 2 July 2019, <http://www.asahi.com/ajw/articles/AJ201907020036.html>.

Japan through to 2030 will also need to rethink strategy towards the Korean Peninsula. North Korea is a difficult partner for any state in the region and Japan's instincts under Abe that the regime of Kim Jong-un will not easily relinquish its nuclear and missile programmes without a bargain that is unacceptably high in economic and security terms for regional partners was not necessarily without foundation. President Moon Jae-in and Trump's demarches toward the North, from Japan's perspective, although keeping the North relatively quiet, have not yielded any real move towards denuclearisation or lessening of the ballistic missile threat. Japanese policy-makers might hope for some new moves from the Biden administration, but as noted before these might take the form of tolerating North Korea as a nuclear power.

Japanese leaders thus need to consider how they can move from analysis of the problem to becoming a more active diplomatic player in attempts at a resolution. Japan under Abe did try to improve ties behind the scenes with the North but was always constrained in what was possible by the abductions issue. Abe also sought to follow the Obama's policy of 'strategic patience' and Trump's 'maximum pressure' only for these to yield no real impact on the North's behaviour and for Japan to be effectively abandoned by the latter policy and left as the only power in Northeast Asia unable to effect summitry with the North. How Japan breaks out from its relative diplomatic impassivity vis-à-vis North Korea is hard to predict but will likely mean gradually reducing domestic focus on the abductions issue and stronger articulation of Japan's interests in cooperating with its partners diplomatically to address the challenges from the North.

The Abe Doctrine similarly largely failed in addressing relations with South Korea. Despite hopes for improved strategic coordination between Japan and South Korea given their shared status as democracies and

interests versus North Korea, significant improvements in ties under Abe proved illusory and indeed ties only worsened in the last years of his administration. Japan and South Korea's strategic interests in fact proved not that convergent over North Korea as the South focussed more on the nuclear issue and improved ties with China as the means to curb the North's behaviour, whereas Japan was more focussed on the missile issue and on China as an even greater threat to its security than the North.³²⁾ Japan-South Korea relations were also hit hard again by history issues. The 2015 agreement as an attempt to finally resolve the 'comfort women' issue proved highly flawed, brokered as it was by the US for two somewhat reluctant partners, featuring no new Japanese concessions on the issue, and domestically untenable in South Korea and even to a degree in Japan. The subsequent tailspin in bilateral relations over issues of compensation for conscripted labour employed by Japanese corporations in the colonial period has only fed Japanese conservatives' desire for confirmation of their view of South Korean untrustworthiness on history issues.

How Japan can reset relations with South Korea and elevate the relationship to one of a vital strategic partnership of close neighbours and US allies is not easy to foresee. The incoming Biden administration may be tempted to broker an improvement in ties, but this may just repeat the cycle of the past.³³⁾ Changes of administration in South Korea may assist, and Abe's successors might prove less resistant on history issues although this may just be a difference of degree as the right of the LDP shares many of his views. The concern is that ties with South Korea may just continue

32) 'The next steps for US-ROK-Japan trilateralism: interview with Jennifer Lind', 4 September 2020, National Bureau of Asian Research, <https://www.nbr.org/publication/the-next-steps-for-u-s-rok-japan-trilateralism/>.

33) 'Biden faces uphill battle in bringing Japan and South Korea together', The Japan Times, 26 December 2020, https://www.japantimes.co.jp/news/2020/12/28/national/biden-japan-south-korea/?utm_source=piano&utm_medium=email&utm_campaign=72&pnespid=eMY2kUbgfTAAS9ATKqs3y74EZlzo.sNafFR6w.

to bedevil Japan's diplomacy for the rest of the decade with deleterious effects for both states and the wider region.

Japan's military trajectory

Japan, long before but greatly accelerated by the Abe administration, has advanced JSDF military capabilities and freed up the constitutional constraints and taboos on its use of military power for national security ends. Abe in effect abolished Japan's longstanding principle of a self-imposed one percent of GDP defence spending cap and reversed previous trends by increasing the defence budget on a yearly basis.³⁴⁾ This change was complemented from 2014 by the final removal of the bans on arms exports in place since 1967 and 1976—adopting instead the 'Three Principles on Transfer of Defence Equipment and Technology'. Japan announced from 2018 onwards the conversion of two helicopter destroyers into fixed-wing aircraft carriers, plans to strengthen its arsenal with the acquisition of the largest inventory of F-35 combat aircraft after the US, the development of hypersonic missiles to be deployed in the second half of 2020s, and the development of a new cyber force and investments in dual-use technologies for the military use of space—to name just a few of the significant procurements to upgrade the qualitative capabilities of the JSDF.³⁵⁾ Japan's last two defence review documents, or National Defence Programme Guidelines (NDPG) that lay out military doctrine alongside the necessary capabilities, have increasingly emphasised a dynamic approach to defence

34) John Wright, 'Abe scraps Japan's 1 percent GDP defense spending cap', *The Diplomat*, 29 March 2017, <https://thediplomat.com/2017/03/abe-scraps-japans-1-percent-gdp-defense-spending-cap/>.

35) Paul Kallender and Christopher W. Hughes, 'Japan's emerging trajectory as a "cyber power": from securitization to militarization of cyberspace', *Journal of Strategic Studies*, vol. 40, no. 1–2, 2017, pp. 118–45; Paul Kallender and Christopher W. Hughes, 'Hiding in plain sight? Japan's militarization of space and challenges to the Yoshida Doctrine', *Asian Security*, vol. 15, no. 2, 2019, pp. 180–204.

and the capacity for the JSDF to operate jointly and across multiple domains.³⁶⁾

Japan's policy-makers have also begun to stress the need to move from a purely defence-oriented defensive stance to one that allows potential strikes against enemy missile bases. Abe sought to explore this option towards the end of his administration but was forced to entrust this to the new Suga administration which has pulled back from as yet articulating a strike option for Japan which might be seen as too provocative in the region and for domestic opinion. But Japan will continue to add more de facto strike capabilities in the form of extended range for shore-to-ship missile and stand-off missiles and consider the likely necessary doctrine necessary for enhancing 'deterrence power'.³⁷⁾ Hence, although Japan by 2030 will retain a cautious military stance it will still go far beyond the current situation in 2020 and become a far more capable military partner that will possibly be able to flip from a defensive to a retaliatory defensive stance if its security situation dictates such a move.

US-Japan alliance military cooperation

The Abe administration moved to significantly change the terms of US-Japan alliance cooperation through breaching in 2014 the ban in place since 1954 on the exercise of collective self-defence, later consolidating this change in the 2015 extensive security legislation, and then articulating the expanded scope of cooperation in the 2015 revised US-Japan Guidelines for Defence Cooperation. Japan and the US are now emphasising 'seamless' military cooperation from peacetime to wartime contingencies, and that cooperation is no longer limited to Japan and the surrounding region and

36) Tomohiko Satake and Yuji Maeda, 'Japan: New National Defense Program Guidelines', *East Asian Strategic Review*, 2019, 205-232.

37) 'Teki kichi kōgeki hoyū kisazu', *Asahi Shimbun*, 10 December 2020, p. 1.

can be global in orientation.³⁸⁾ Bilateral defence cooperation is also stretching into the space and cyber dimensions, and very significantly, for the first time, Japan is integrating its capabilities and strategy with that of the US. It is increasingly clear that Japan now expects not only to provide a defensive shield for US power projection in the region, but that Japan may stand on the frontline with the US to help anchor its strategy versus Chinese maritime and territorial assertiveness in the East China Sea and Taiwan Strait. Consequently, by 2030, it is expected that Japan will only become an ever strong and more tightly integrated military ally that has in large part abandoned concerns over hedging and embraced entrapment as the cost of avoiding the worst fate of abandonment.

Japan's economic statecraft

Although Japan will continue to sharpen its tool of military and alliance statecraft over the next ten years, its identity as an economic power will remain highly central and will seek to project this to counter China's regional and global rise. The failure of the Trump administration to uphold the global liberal economic order has been a major spur for Japan to attempt to fill in for the gaps in the region. Japan was one of the major actors in helping to keep moving forward the CPTPP initiative despite the Trump administration's defection from the US's own initiative.³⁹⁾ Similarly, Japan has maintained support for the RCEP, which although more Chinese-dominated than hoped for due to India's current reluctance to the commit to the framework, still remains a means to tie China into regional

38) Ministry of Foreign Affairs Japan, 'The Guidelines for Japan-US Defense Cooperation', 27 April 2015, <http://www.mofa.go.jp/mofaj/files/000078188.pdf>.

39) Saori N. Katada, *Japan's New Regional Strategy: Geoeconomic Strategy in the Asia-Pacific* (New York: Columbia University Press, 2020), pp. 116–118.

cooperation. Japan has also made common cause with the EU to represent itself as a bastion of the liberal trading order with entering into force of the Japan-EU Economic Partnership Agreement in 2019.

Japan's economic statecraft will likely see a continued pattern of cooperation and competition with China as the two states manoeuvre for influence in the region. Japan seems set to continue to reject membership of the Asian Investment and Infrastructure Bank (AIIB) but has mellowed in its approach to the BRI—initially viewing it as an overt attempt by China to impose its vision of regional order but increasingly accepting the BRI as an established plan that Japan might selectively support in terms of pushing China's towards providing quality infrastructure.⁴⁰⁾ Likewise, Japan may be more secure in tolerating China's plans given that it has articulated its own vision of regional order, including economic infrastructure, through the FOIP initiative which has proved attractive to ASEAN states, the US, Europe, and states in South Asia and East Africa.

Conclusion

Japan in 2030 will probably develop on the same trajectory as it has over the last decade. Japan will seek to become a more openly assertive international actor, more integrated US ally, and renewed key player in forging bilateral security networks and multilateral economic frameworks for cooperation in the expanded Indo-Pacific region. The domestic and international structure is thus that it will continue to drive Japan forward on this pathway.

40) Masafumi Iida, 'Japan's Reluctant Embrace of BRI?', SWP Working Paper, 3 October 2018, https://www.swp-berlin.org/fileadmin/contents/products/projekt_papiere/Iida_BCAS_2018_BRI_Japan_6.pdf.

This trajectory should mean increased opportunities for Japan to raise its international profile and create new partnerships. However, Japan's trajectory may not be entirely smooth. Sino-Japanese relations will remain likely fraught with tension and the risk of conflict cannot be ruled out. Japan will strive to avoid abandonment by the US, but the risk remains and could provoke a counter-reaction in Japan and set it off on a far less predictable trajectory as a more fully autonomous actor. The conservative revisionists' hold on Japan, fuelled by international structural pressures, will also mean that relations with many East Asian states may suffer from various frictions.

It will thus be ever more important that the forces of liberalism in Japanese democracy continue to moderate Japan's external behaviour. Of similar importance will be the US's need to engage with Japan and ensure that its security interests are fully accounted for in its regional strategy. China should also avoid blatant confrontations with Japan's core strategic interests so as not to stoke Japan's remilitarisation. Meanwhile, Japan's East Asian partners should continue to invite Japanese engagement economically and continue to stress the positive liberal vision of post-war Japan as the model for its role in the region and not encourage revisionist sentiment to rear its head.

PART III

The US in Northeast Asia: 2030

PART III The US in Northeast Asia: 2030

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Introduction

After four years of disruptive, and at times counterproductive, foreign policy during the Trump years, the US faces an uncertain future in Northeast Asia. Despite Joseph Biden's decisive victory in the November 2020 US presidential election, outgoing President Donald Trump refused to accept the results, using the power of his office to undercut the legitimacy of the democratic process and to saturate the political discourse with lies and misinformation. In the process, he has split the Republican party into two camps: those that accept the legitimacy of democratic elections, and those who are willing to undermine democratic norms and institutions if doing so advances their electoral interests. Meanwhile, although the Democratic Party has emerged from the election with unified control of the legislative and executive branches of government, it will nevertheless govern with the slimmest of majorities in the US Congress, majorities that the party will have to fight hard to maintain after 2022. And the new administration will need to address a host of domestic and foreign policy challenges, including most obviously the global coronavirus pandemic which has left a trail of destruction in the United States, both in terms of the catastrophic public health consequences and lives lost, but also in

terms of the severe economic recession that has followed in the pandemic's wake. In short, Trump leaves behind a deeply polarized America, a country facing enormous domestic and international challenges even as Washington's global standing has been diminished due largely to Trump's own disastrous policy record.

Against this backdrop of polarization, economic uncertainty, and a political system that in recent years borders on dysfunctional, the US faces considerable challenges in Northeast Asia in the decade ahead. Perhaps the most obvious challenge is China's rise as a military and economic competitor. China and the US are likely to remain at odds over a number of security and economic issues, and bilateral competition will most likely intensify as China continues to become stronger both economically and militarily. North Korea, meanwhile, continues to develop its nuclear and missile capabilities, and is likely to continue to be a source of instability in the region. And the history issue continues to loom large over Korea-Japan relations, making US-Japan-South Korea trilateral cooperation difficult despite the challenging regional security environment.

How is US security policy in Northeast Asia likely to evolve in the next decade? In this essay, I argue that Washington's approach to the region in the decade ahead will be driven by a mix of external factors and domestic political factors. For reasons that I elaborate on below, I believe that the most likely outcome is a US that remains highly engaged in the region, seeking to strengthen regional alliances while seeking to check growing Chinese power. This posture will arise both because of strong regional demand for a continued US presence, but also because post-Trump US politics are likely (for the most part) to revert to pre-Trump trends with regard to US policy in East Asia. But I also emphasize that my confidence in this future is relatively low: both the future trajectory of US politics, and

the future nature of security challenges in the region, are highly uncertain.

I proceed as follows. I begin with a short overview of how US security policy in Northeast Asia was trending in the years before Donald Trump became US president, and I discuss the degree to which the Trump administration disrupted these broader trends. I then consider how US Northeast Asian security policy is likely to evolve in the next ten years by focusing on both demand and supply-side factors. On the demand side, I outline likely security challenges in the region 10 years from now, and what that means for US interests and for the desirability—from the standpoint of Tokyo, Seoul and Taipei—for a continued strong US regional presence. On the supply side, I consider the likely evolution of US domestic politics and how that will likely shape Washington's views of its regional interests, and the appetite leaders will likely have for continued engagement in the region. I conclude by describing what I see as the most likely implications for US regional security policy.

The US in Northeast Asia: Long-term trends

At the end of the Cold War, the US presence in Northeast Asia appeared tenuous. America's relationship with Tokyo was strained by economic tensions and a sense within Washington that Japan had offered insufficient support during the 1991 Gulf War. Meanwhile, key regional flashpoints showed some signs of stabilizing in the early 1990s. North and South Korea reached agreements in late 1991 and early 1992 committing the two sides to nonaggression and a nuclear-free Korean Peninsula. Further south, economic ties were growing rapidly across the Taiwan Strait, and Taipei and Beijing were engaged in quasi-official dialogue that culminated in a Singapore meeting in 1993. Against this backdrop, it was unclear whether

there would remain a strong regional demand for a continued US military presence, and indeed whether the US was likely to remain committed to the region in any event. One influential article written at the time warned that about the dangers of US withdrawal from the region, concluding ominously that “the fact that such a course of action would be mistaken and dangerous affords no guarantee that it will not be followed.”⁴¹⁾

Yet within a few years it became clear that the US would maintain a large security presence in the region. US troops did not leave the region en masse. The Korean Peninsula and the Taiwan Strait re-emerged as flashpoints for conflict, and the US played an important role in the 1994 nuclear crisis on the Korean Peninsula and the 1995-1996 Taiwan Strait crisis. The United States and Japan took steps to revitalize their alliance, culminating in a 1996 agreement. And later, during the GW Bush and Obama administrations, Washington took a number of steps that suggested deepening—rather than waning—presence in the region. For instance, the US strengthened security ties with a number of countries in the region, including Japan, Singapore, and Australia; the US increased deployments of naval assets to East Asia; and the US negotiated free trade agreements with Singapore and South Korea, and joined the Trans-Pacific Partnership (TPP).⁴²⁾

This trend toward increased US engagement in the region coincided with growing challenges from North Korea and China. The North Korean nuclear issue remained intractable in the decades after the Cold War. Despite periodic (though fleeting) diplomatic successes—

1 Aaron L. Friedberg, “Ripe for Rivalry: Prospects for Peace in a Multipolar Asia,” *International Security* Vol. 18, No. 3 (Winter 1993/1994), p. 32.

41) Aaron L. Friedberg, “Ripe for Rivalry: Prospects for Peace in a Multipolar Asia,” *International Security* Vol. 18, No. 3 (Winter 1993/1994), p. 32.

42) Although these and other policies (such as increased diplomatic engagement with ASEAN)

2 Although these and other policies (such as increased diplomatic engagement with ASEAN) would be framed as part of a “Pivot to Asia” during the Obama administration, Thomas Christensen emphasizes that many of these policies reflected long-term trends of US policy in the region. See: Thomas J. Christensen, *The China Challenge: Shaping the Choices of a Rising Power* (New York, NY: Norton, 2015), p. 248.

most notably the 1994 Agreed Framework and the Six Party Talks—North Korea’s nuclear and missile programs have continued to progress, and neither diplomatic overtures nor increased pressure have altered these general trends.⁴³⁾ The Obama administration—perhaps concluding that diplomacy was both unlikely to succeed (the Six Party Talks had broken down shortly before he assumed office) and was politically risky—ultimately responded to renewed North Korean provocations (such as the 2009 nuclear test) with a policy that came to be referred to as “strategic patience.”⁴⁴⁾ As he left office, Obama reportedly warned the Trump administration that North Korea represented the most urgent security challenge for the US.⁴⁵⁾ Meanwhile, China continued to rise both economically and militarily, and by the late 2000s appeared to be becoming more assertive on regional security issues such as the South and East China Seas.

Although the Clinton, GW Bush and Obama administrations all pursued broad “engagement” policies toward China—which included wide-ranging dialogue and efforts to foster China’s increased integration into global institutions—they also viewed China as, at least in part, a strategic competitor

43) For a brief summary of North Korea’s nuclear and missile programs, see: Mary Beth D. Nikitin and Samuel D. Ryder, *North Korea’s Nuclear and Missile Programs*, Congressional Research Service, Update 5 January 2021: <https://crsreports.congress.gov/product/pdf/IF/IF10472>.

44) Jong Kun Choi, “The Perils of Strategic Patience with North Korea” *The Washington Quarterly* Vol. 38, no. 4 (2016), pp. 57–72.

45) See: “Trump Inherits a Secret Cyberwar against North Korean Missiles,” *New York Times*, 4 March 2017: <https://www.nytimes.com/2017/03/04/world/asia/north-korea-missile-program-sabotage.html>.

that posed increasingly daunting security challenges. Some observers warned of an emerging regional security dilemma, as China's rapidly improving military capabilities and expansive maritime claims increased wariness in Washington, Tokyo and The Trump presidency disrupted some of these broader trends. Trump embraced trade protectionism and immediately withdrew from the TPP, while also expressing considerable skepticism about the value of alliances in the region. His approach toward North Korea vacillated sharply, moving from highly bellicose rhetoric in 2017, to a renewed bout of diplomacy by 2018. Despite Trump's apparent personal affinity for North Korean leader Kim Jong-un, diplomacy again failed to generate a breakthrough agreement, and the North Korean nuclear and missile programs continue to advance. Meanwhile, although US-China relations faced numerous challenges even before Trump entered office, by the time he left office the bilateral relationship had become much more adversarial as Trump pursued a scorched-earth trade war with Beijing while undercutting possible sources of common-ground (such as climate change or pandemic response). And China's increasingly repressive domestic policies (especially in Hong Kong and Xinjiang), along with assertive approaches to disputes in the South China Sea, East China Sea, and Taiwan Strait, led to further strains in bilateral relations.

On the other hand, a considerable amount of continuity characterized trends in the broader US security posture in Northeast Asia even during the tumultuous Trump years. US relations with China clearly deteriorated sharply, but relations were already showing considerable strain in the later Obama years, and the sharp increase in tension is as much a reflection of trends in China under Xi Jinping as it is a reflection of policies coming out of the Trump White House. Despite Trump's own skepticism of alliances and apparent admiration of authoritarian strongmen, the US remained committed to its security partners in the region, and in some cases ties

grew closer (such as with Taiwan).⁴⁶⁾ Key strategy documents, such as the 2019 Indo-Pacific Strategy Report, suggested general continuity with past trends, including maintenance of a robust deterrent capability in the region combined with strong regional partnerships.⁴⁷⁾ And Trump's bout of personal diplomacy vis-à-vis North Korea ultimately failed, leaving US-North Korea relations where they were before Trump assumed office (though with a North Korea that presents even more daunting challenges than before); Trump's failures regarding North Korea, if anything, have probably underscored the difficulties of finding diplomatic solutions to the nuclear issue that would satisfy both Pyongyang and Washington.

In sum, although Trump disrupted some trends in US policy toward Northeast Asia, for the most part broad trends remain intact. US relations with China are increasingly adversarial, and North Korea poses a significant and growing threat to US security. Although the US has abandoned some initiatives such as the TPP, the US remains committed to alliances in the region, and its military presence in East Asia remains robust. US security ties with countries such as Japan and Taiwan have continued to improve, and the US continues to focus on improving deterrence in East Asia. To what extent, then, are these general features of US regional posture likely to survive the next decade? What is likely to change by 2030? To answer these questions, I begin by considering the demand side: what regional threats are likely to exist (from a US national security perspective) in 2030,

46) For a brief summary of recent trends in US-Taiwan relations, see: Scott L. Kastner, "Better than Ever? Assessing the Current U.S.-Taiwan Relationship," Taiwan Insight, 20 April 2020: <https://taiwaninsight.org/2020/04/20/better-than-ever-assessing-the-current-us-taiwan-relationship/>.

47) U.S. Department of Defense, Indo-Pacific Strategy Report: Preparedness, Partnerships, and Promoting a Networked Region, 1 June 2019: <https://media.defense.gov/2019/Jul/01/2002152311/-1/-1/1/DEPARTMENT-OF-DEFENSE-INDO-PACIFIC-STRATEGY-REPORT-2019.PDF>. See also: Office of the Secretary of Defense, Military and Security Developments Involving the People's Republic of China, 2020: Annual Report to Congress: <https://media.defense.gov/2020/Sep/01/2002488689/-1/-1/1/2020-DOD-CHINA-MILITARY-POWER-REPORT-FINAL.PDF>; and National Security Strategy of the United States of America, The White House, 18 December 2017, esp. pp. 45-47.

and to what extent are current US allies likely to hold similar threat assessments?

The demand side: Northeast Asia in 2030

In 2030, I expect that China and North Korea will continue to represent the largest security challenges facing the United States in Northeast Asia.

China

China's rise as a military and economic power has been the most important regional development affecting international politics in Northeast Asia over the past several decades. China's growing military capabilities have completely transformed the strategic environment in the region, even as the country's dynamic economy has led its neighbors to become more economically dependent on China. Today China is the most important trading partner of all Northeast Asian economies, in some cases (most notably Japan and Taiwan) despite turbulent political relations and persistent sovereignty disputes.

China today faces serious challenges that call into question continued robust economic growth. The country faces an aging population, rising wages, reduced surplus labor, and a large debt-to-GDP ratio. Economic reforms have slowed under Xi Jinping, and the country has faced a more hostile international environment, including most obviously the trade war with the US.

Although the economy rebounded quickly in 2020 after a sharp coronavirus-induced recession, future prospects remain murky and experts on the Chinese economy have divergent assessments of the likelihood of

continued robust growth.⁴⁸⁾

My expectation is that the challenges China faces today are likely to persist over the next decade: China's population will continue to age, its debt problems are unlikely to disappear, and it looks likely that Xi Jinping will remain in power for the remainder of the decade—which is not good news for those hoping to see more substantial reforms and revitalization of the private sector. Over the long term, these factors are likely to undercut the dynamism of China's economy to some degree. On the other hand, Chinese leaders have proven themselves highly adept at avoiding economic crises, and so I believe the most likely trajectory is an economy that is growing more slowly over the next decade than it has in recent years, but one that remains a juggernaut and at the center of the regional economy.⁴⁹⁾ Given continued growth and domestic stability, China will continue to modernize its military and will improve its force-projection capabilities while continuing to enhance its capacity to impose high costs on other militaries that try to operate near China's coast.

A China that continues to be led by Xi Jinping and that continues to become stronger economically and militarily will continue to view Taiwan as a core national interest, will continue to challenge Japanese control over the Diaoyu/Senkaku Islands, and will continue to make expansive claims in the South China Sea. Although Chinese assertiveness on these issues is unlikely to wane—particularly if Beijing senses unfavorable trends from the PRC perspective (such as the growing power of the Democratic Progressive Party in Taiwan)—Beijing will most likely remain cautious about use of

48) On challenges facing China, see: Thomas Fingar and Jean C. Oi, "China's Challenges: Now it Gets Much Harder," *The Washington Quarterly* Vol. 43, no. 1 (2020), pp. 67–84; Nicholas R. Lardy, *The State Strikes Back: The End of Economic Reform in China?* (Washington DC: Peterson Institute for International Economics, 2019); George Magnus, *Red Flags: Why Xi's China is in Jeopardy* (New Haven, CT: Yale University Press, 2018).

49) On China's resilience despite facing numerous financial challenges over the past several decades, see: Thomas Orlik, *China: The Bubble that Never Pops* (New York, NY: Oxford University Press, 2020).

military force to achieve objectives such as the unification of Taiwan.⁵⁰⁾ In ten years from now, continued long-term economic challenges will likely deter China from initiating conflict unless it is seen as a last resort to prevent even worse outcomes from Beijing's perspective.

In sum, China's economic rise is likely to continue, albeit at a slower pace. China's military capabilities will continue to improve rapidly and will pose an ever-growing challenge to the US and to countries with serious ongoing disputes with China, including Japan and Taiwan. And China will remain committed to claims in the Taiwan Strait, East China Sea and South China Sea, meaning these areas are likely to remain potential flashpoints for conflict in 2030—though China will remain cautious about actual initiation of military force given high costs involved.

North Korea

The North Korean nuclear issue has been quite intractable over the past several decades, with both coercive approaches (such as during the early GW Bush administration and the early Trump administration) and efforts at diplomacy (the Agreed Framework, the Six Party Talks, the Kim-Trump meetings) failing to resolve the dispute. North Korea's nuclear weapons and missile programs have progressed rapidly, and the next decade is likely to see continued progression. Meanwhile, North Korea has defied the predictions of many who view the regime as unstable and likely to collapse; in fact, despite persistent economic difficulties, a highly repressive government that engages in numerous human rights atrocities, and pariah status internationally, the regime has proven itself to be highly resilient—having now survived the deaths of two leaders.⁵¹⁾ My view is that the most

50) I elaborate on this argument in: Scott L. Kastner, "Is the Taiwan Strait Still a Flashpoint? Rethinking the Prospects for Armed Conflict between China and Taiwan," *International Security* Vol. 40, no. 3 (Winter 2015/2016), pp. 54–92.

likely outcome over the next decade is continued resilience. North Korea, then, is likely to remain a serious security concern in 2030: the regime will remain both resilient and insecure, and it will possess more numerous nuclear weapons, with better delivery systems, than it currently possesses. Although North Korea and China will not always agree—and China will remain wary of Pyongyang’s weapons programs and its potential to incite crises on the Korean Peninsula—the relationship will generally be stable, as both countries view continued partnership as serving their interests given a generally hostile international environment (including a shared view of the US as posing a security threat).⁵²⁾ Continued improvements in North Korea’s nuclear and missile capabilities could lead to some increased risk-taking, particularly if a conservative government returns to power in South Korea; having a robust deterrent could make Pyongyang confident that South Korea and the US will be cautious in response to any provocations. However, North Korea will be reluctant to push too hard out of fear of alienating China.

Implications for the US

The continued security challenge likely to be posed by China and North Korea in 2030 will mean that other states in the region—Japan, South Korea, and Taiwan—will most likely continue to support a strong US security presence in Northeast Asia. At the same time, all three states will likely be wary of a highly adversarial approach to China because the PRC

51) For an early discussion of North Korea’s various tools for regime survival, and consequent regime resilience, see: Daniel Byman and Jennifer Lind, “Pyongyang’s Survival Strategy: Tools of Authoritarian Control in North Korea,” *International Security* Vol. 35, no. 1 (Summer 2010), pp. 44–74.

52) On efforts to repair China–North Korea relations after recent tensions, see: Evans J.R. Revere, “Lips and Teeth: Repairing China–North Korea Relations,” *Global China: Assessing China’s Growing Role in the World*, Brookings Institutions, November 2019: https://www.brookings.edu/wp-content/uploads/2019/11/FP_20191118_china_nk_revere.pdf.

will most likely remain a dynamic economy with extensive linkages to other states in the region. So long as the PRC remains restrained in its own use of force, US security partners will seek a strong US deterrent without overt hostilities or a broad economic containment policy toward China. Finally, it is worth emphasizing that support for a continued strong US presence will also be conditional on a range of other factors, including US behavior and image (a return to Trumpism, for instance, will reduce the attractiveness of close relations with the US); domestic politics within Korea, Taiwan and Japan (support for close security relations will be strongest if the LDP remains in power in Japan, the conservatives are in power in South Korea, and the DPP is in power in Taiwan); and the degree to which China and North Korea do indeed remain security threats from the perspective of other states in the region.

The supply side: The United States in 2030

US politics are currently highly polarized, reflecting a deeply divided society; this polarization will almost certainly still be a central feature of the US political landscape in 2030. Moreover, there is good reason to expect continued parity between the two major parties, and both parties will continue to view the “rust belt” states as critical to their electoral success—particularly for winning control of the Senate and the Presidency. For reasons elaborated on below, these features of US politics in 2030 will most likely contribute to a bipartisan hawkishness toward both China and North Korea—and thus an interest in maintaining a strong regional security presence and close relations with regional security partners. Finally, the economy will likely rebound quickly after the 2020 pandemic-induced recession, but growth over the next decade will most likely revert to

pre-pandemic trends. Continued moderate growth will enable the US to maintain a robust regional presence.

The US political landscape: 2030

Although long-term demographic changes in the United States appear broadly favorable to the Democratic Party, US political institutions overrepresent core elements of the Republican Party (GOP) coalition, especially white voters living in predominately rural areas. The Electoral College has clearly favored the Republican Party in recent years: the GOP has won a plurality in the popular vote only once in the last 8 presidential elections, and yet the party has managed to win three of those elections and in the 2020 election Donald Trump nearly prevailed despite receiving 7 million fewer votes than Joseph Biden. Moreover, the GOP performed well at the state-level in the 2020 election, which will enable the party to draw favorable congressional districts that will remain in place for the next ten years, and which will help the GOP to remain dominant in a majority of state legislatures and to maintain rough parity with the Democratic Party in the US House of Representatives. Thus, even though the GOP has tended to draw less support than the Democratic Party in national elections in recent years, the nature of US political institutions virtually guarantees that the party will remain competitive over the next decade. The most likely outcome in 2030 is continued relative parity, with Democratic gains with younger voters and a more diverse electorate neutralized in part by the continued over- representation of white, rural areas in US politics. And both parties will continue to view the upper-Midwest “rust-belt” as critical to electoral success. Pennsylvania, Michigan and Wisconsin in particular will likely remain battleground states, although as time moves forward the Democratic Party may be able to compensate for weakness in the rust-belt

via improved competitiveness in some sun-belt states such as Georgia, Arizona, North Carolina and, perhaps, eventually Texas. Meanwhile, in an era of social media and partisan news, politics will almost certainly remain highly polarized in the US in 2030.⁵³⁾

The GOP will continue to rely heavily on rural and suburban white voters.⁵⁴⁾ During the Trump presidency, nativism in the party surged as Trump sought to build enthusiasm among supporters by pursuing: anti-immigration policies (including policies that explicitly targeted Muslims), withdrawal from international institutions like the Paris Climate Accord and the World Health Organization, trade protectionism, and, increasingly, a foreign policy that emphasized standing up to China (which included scapegoating China for the Trump administration's own inept response to the coronavirus pandemic). Some of the worst features of white identity politics could slide back beneath the surface in a post-Trump GOP, particularly in the aftermath of the violent assault on the US Capitol by Trump supporters in January 2021 (although even now, after Trump's electoral defeat and the ugly events of January 2021, few Republicans in Congress have been willing to break openly with the former president).

Moreover, some policies pursued by Trump appear to reflect Trump's personal quirks rather than broader consensus within the party, such as Trump's admiration of autocrats like Vladimir Putin and Kim Jong-un, or his hostility to US alliances (including NATO). Thus, even though Trump

53) On the sources of polarization in US politics, see: James A. Thurber and Antoine Yoshinaka, eds., *American Gridlock: The Sources, Character, and Impact of Political Polarization* (New York, NY: Cambridge University Press, 2015).

54) For an overview of demographics and support for candidates in the 2016 and 2020 U.S. presidential elections, see: William H. Frey, "Exit Polls Show Both Familiar and New Voting Blocs Sealed Biden's Win," *Brookings Institution Report*, 12 November 2020: <https://www.brookings.edu/research/2020-exit-polls-show-a-s-crambling-of-democrats-and-republicans-traditional-bases/>. Note that Trump's support skewed heavily toward white, male, less educated, and older voters, but that Biden eroded these advantages to some degree in 2020 (relative to Hillary Clinton's 2016 performance).

will likely remain influential in the party for years to come, the GOP after Trump is likely to return to a number of long-standing foreign policy positions. In particular, the party will support a robust national security posture, including maintaining an extensive alliance system and a strong global military presence.⁵⁵⁾ The view of China as a key competitor—or even adversary—of the US is widespread within the GOP,⁵⁶⁾ and most in the party do not share Trump’s positive views of Putin and Kim Jong-un. Thus, the party over the next decade is likely to position itself as strongly anti-China, and as hawkish on other foreign policy issues in the region such as the North Korean nuclear issue.

The Democratic Party relies on a more diverse coalition than the GOP. In order to keep this coalition together in the decade ahead, the party is likely to prioritize a range of domestic problems—including continued systemic racism and discrimination, economic inequality, environmental degradation, and a persistently large number of Americans lacking access to quality healthcare. Foreign policy is likely to be a secondary priority. But where foreign policy is prioritized, expect it to dovetail with domestic goals like strengthening democracy or addressing environmental problems.

Implications for US policy toward Northeast Asia, 2030

These features of the likely US political landscape in 2030 have several implications for likely US policy toward Northeast Asia. First, the two major US parties are both likely to view China as a major competitor and to advocate relatively hawkish policies toward the PRC. Although China is

55) On the GOP’s hawkishness on foreign policy issues, see: Colin Dueck, *Hard Line: The Republican Party and U.S. Foreign Policy since World War II* (Princeton, NJ: Princeton University Press, 2010).

56) Some recent polls find that more than 70% of Republican voters have negative views of China. See, e.g., “U.S. Views of China Increasingly Negative amid Coronavirus Outbreak,” Pew Research Center, 21 April 2020: <https://www.pewresearch.org/global/2020/04/21/u-s-views-of-china-increasingly-negative-amid-coronavirus-outbreak/>. Views of China among Democrats are also negative, though slightly less so on balance.

likely to be a higher policy priority for the GOP (given the party's tendency to emphasize themes such as a robust national defense, combined with what the party might cynically view as potential political gains by "othering" China), my expectation is that the Democratic Party will also pursue relatively "tough" policies toward China when in power over the next decade.⁵⁷⁾ Part of this will reflect the party's support for democracy and human rights, and a general view in the US that the current Xi Jinping government is pushing China in a more authoritarian and repressive direction. But in part this will also reflect a calculation that being "soft" on China is likely to become a political liability for the Democratic Party. In the 2020 election, GOP advertising often referred to Joseph Biden as "Beijing Biden" while emphasizing Trump's toughness toward China. Democratic presidents in the years ahead will seek to avoid playing into this narrative and will thus adopt relatively hawkish policies toward China to include extensive criticism of China's human rights record.

Second, and for similar reasons, both parties are likely to take a tough approach to North Korea in the decade ahead. The Republican Party has in the past been critical of diplomacy with North Korea initiated by Democratic presidents (and was especially critical of the Agreed Framework); the GOP was also highly critical of the Obama administration's diplomacy with Iran. In a highly polarized domestic political environment where elections are likely to be close, future Democratic presidents are likely to view further diplomatic outreach toward North Korea as politically risky, particularly since past diplomatic efforts have generally ended in failure. I thus expect both parties to adopt a policy toward North Korea that largely resembles

57) Note, for instance, that President Biden's foreign policy cabinet officials generally endorsed relatively hawkish views toward China during their recent confirmation hearings. See: "In Confirmation Hearings, Biden Officials Indicate Tough Approach to China," New York Times, 19 January 2020: <https://www.nytimes.com/2021/01/19/us/politics/avril-haines-antony-blinken-lloyd-austin.html>.

the Obama administration's "strategic patience" approach, though perhaps with some efforts at even greater pressure (especially economic pressure).

Finally, domestic political trends in the US will continue to create strong headwinds for advocates of free trade. Trump won key rust-belt states in 2016 (especially Pennsylvania, Michigan, and Wisconsin, three states that had been viewed as part of the Democratic Party's "blue wall") in part because of open hostility to foreign trade, and Democrats representing these states (such as Sherrod Brown in Ohio, or Debbie Stabenow in Michigan) have tended to be skeptical of free trade agreements. Because these states will remain important for both parties, it is unlikely that the US will re-enter the TPP over the next decade. Moreover, especially given the likelihood that both parties will advocate "tough" policies toward China, leaders from both parties will most likely take a tough line on economic issues with China over the next decade. While perhaps not pursuing crude trade wars like Trump, both parties are likely to take a hard line on both general economic imbalances, but especially any economic interactions with China that have potential national security implications.

Economic projections

Predicting economic performance a decade out is, to put it mildly, a risky proposition. Here, I simply follow the Congressional Budget Office (CBO) in making predictions about likely US economic performance over the next decade.⁵⁸ The CBO anticipates that the US economy will rebound sharply in 2021 as the coronavirus pandemic winds down. Real growth over the next decade should then slow to roughly 2.1% per year on average during

58) Congressional Budget Office, "An Update to the Economic Outlook, 2020–2030," July 2020: <https://www.cbo.gov/system/files/2020-07/56442-CBO-update-economic-outlook.pdf>.

the second half of the decade. Growth, in other words, should follow a similar trajectory to growth rates during the 2010s. Interest rates are expected to remain low, meaning government borrowing costs should stay manageable. Of course, these projections are ultimately based on a range of assumptions, including a relatively stable political environment and an end to the current pandemic. Nonetheless, if the United States economy performs according to these expectations, the US will retain the capacity to maintain a robust security posture in East Asia in 2030.

Expectations

The analysis to this point suggests: (a) strong demand among US security partners in East Asia for a continued US presence in the region in 2030, given the likelihood that China and North Korea will remain serious security challenges; (b) continued reluctance by US security partners for a broader containment approach to China, given the PRC's likely continued economic importance to the regional economy in 2030; (c) partisan convergence in the US toward relatively hawkish approaches to both China and North Korea over the next decade; and (d) continued economic growth in the US combined with persistent protectionism. If these predictions turn out to be accurate, what would that suggest about the US approach to regional security in 2030?

First, the US will continue to prioritize strengthening security ties to both formal and informal allies in the region. Expect the US to support the continuation of long-term trends in the US-Japan security alliance which have seen the two countries increasing cooperation in a range of areas, including exercises, rear-guard logistics, etc. Similarly, the US will continue to place high value on the alliance with South Korea, and I expect

continued strengthening of security ties with Taiwan (including greater coordination to address different conflict contingencies, continued US arms sales, and increased government-to-government contacts). The US will encourage increased trilateral cooperation in South Korea-Japan-US security relations; although these efforts will face significant constraints given likely continued animosity in Seoul-Tokyo relations, it is likely the US will play more of a proactive role in pushing for increased coordination.⁵⁹⁾ Along with robust security relations with Japan, South Korea and Taiwan, the US will maintain a strong regional military presence. In particular, the US will invest heavily in trying to counter China's ability to complicate US intervention in conflicts near the Chinese coast—especially over Taiwan.⁶⁰⁾ Second, given what I expect to be bipartisan support for relatively hawkish policies toward China over the next decade, and given that protectionism is likely to remain a strong force in US politics, I expect that the US will continue to put extensive pressure on China economically and will push allies to do the same. Given China's likely continued growth and importance to the regional economy, US efforts in this regard are likely to create some tensions with regional allies that have extensive economic ties to China. Relatedly, and third, it is unlikely that there will be political support in the US for a return to the TPP, or possible entry into other regional economic agreements. Progress on bilateral agreements, such as an agreement with Taiwan, is possible—so long as such agreements can be sold domestically as addressing trade imbalances and opening new markets for US producers.

Finally, I expect that US relations with North Korea will remain hostile,

59) On what the US can do in this regard, see: Lee Seong-Hyun, "Where is Washington? The Missing Mediator between Seoul and Tokyo," *The Washington Quarterly* Vol. 42, no. 1 (Spring 2019), pp. 89–110.

60) See Department of Defense, *Indo-Pacific Strategy Report*, especially pages 18–20, which emphasizes in particular that the US military anticipates that adversaries would likely have a "local military advantage" at the outset of a conflict and might pursue objectives via a "fait accompli" strategy, and that the addressing this challenge will drive US posture in the region in the years ahead.

and that a diplomatic solution to the North Korean nuclear issue will remain elusive. A post-Trump GOP will most likely move beyond Trump's efforts at personal diplomacy with Kim Jong-un and will return to the party's general hawkish approach to the North Korea regime. The Democratic Party, meanwhile, is likely to view diplomacy as both politically risky and unlikely to succeed in any event—given past experiences. As such, the US will most likely continue to impose extensive sanctions on North Korea, and will continue with a policy of pressure and “strategic patience” that, to date, has not succeeded (and is unlikely to bring about positive change in the decade to come either).

These expectations, it should be emphasized, would change dramatically if some of my predictions about either the demand or supply side fail to materialize. A collapse of the North Korea regime, or a dramatic shift in North Korean strategy to emphasize détente and economic integration, would greatly reduce demand for a strong US presence in South Korea. If Xi Jinping were to fall from power in China, it is possible to imagine dramatic shifts in PRC foreign policy that could likewise reduce broader demand for US presence in the region. On the US side, it is possible that the US political system will become even more dysfunctional, and that domestic instability and even violence could increase dramatically (perhaps with the Capitol mob serving as a prelude). Likewise, it is possible that economic growth will remain more sluggish than forecast (perhaps virus mutations will prolong the pandemic's effects on the US economy). In a US that is more unstable, and growing more slowly, it becomes difficult to predict future security policy in Asia. One possibility is that instability and recession at home would lead to retrenchment abroad, and hence a reduced role in the region. It is also possible that instability and slow growth could increase the likelihood that future Trump-like figures could win the presidency and pursue even more erratic foreign policies.

Thus, to conclude, the future of US security policy in Northeast Asia is quite uncertain. In this paper I have outlined what I believe to be the most likely future trajectory of that policy: the US will double-down on a strong regional presence, will seek increased security ties with regional partners, will seek to counter China's growing military capabilities, and will adopt hardline approaches to both China and North Korea. But my confidence in this assessment is relatively low, as these trends hinge on a number of factors—in both East Asia and internal to the US—that are hard to predict with confidence.

PART IV

**Russia's posture in Northeast Asia
in 2030: alternative scenarios**

PART IV

Russia's posture in Northeast Asia in 2030: alternative scenarios

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Russia's position and posture in Northeast Asia will derive from a multitude of factors that can be grouped into external and internal ones. Given Russia's size and its relatively low vulnerability to impacts and pressure from the outside, the set of internal factors is likely to be more important than external forces. Therefore I will pay more attention to the domestic determinants of Russia's behavior. The paper concludes with some thoughts on Northeast Asia's strategic future around the year 2030.

External actors impacting Russia: what kind of relations will Moscow have with Washington and Beijing?

The US and China are, by far, the most significant external actors impacting Russia and Russia's foreign policy. Of course, there are other major players too, such as the EU or Japan. But, in terms of their foreign policies, including their relations with Russia, the European countries and Japan are not quite independent and often toe Washington's line. European countries (either the EU as a bloc or its biggest individual members, such as Germany) and Japan could at some point regain their full foreign policy autonomy, but it is a long-term possibility that is unlikely to materialize within this decade

Apart from Russia itself, there are currently only two other great powers

in the contemporary international system – the US and China. I define great powers as those players in the international system that possess military capabilities second to none, have full sovereignty in their foreign and domestic policies, and display global ambitions. Hence we have a great power triangle consisting of Washington, Beijing and Moscow. Global geopolitics is very much determined by this strategic triangle. And it will still likely be the case in 2030.

Even though Russia is a great power, it is now clearly the lesser great power compared to the US (the world's only superpower) and China (an emerging superpower). In the great power triangle, Russia and China have formed an alignment against the US, which can be characterized as an entente, or quasi-alliance. In the Sino-Russian relationship, Moscow and Beijing are still equal politically, but in the economic dimension there is an unmistakable tendency for the deepening of Russia's dependence on China.

Russia's preference would be to create its own economic bloc rather than become part of the EU-centric zone or the China-dominated sphere. That was one of the main goals behind the establishment of the Eurasian Economic Union (EEU), a customs union and single market under the Russian leadership. However, apart from Russia, there are now only four members in the EEU (Belarus, Kazakhstan, Kyrgyzstan and Armenia), while the prospects of its further expansion are dim. The EEU's limited size in terms of its total population (less than 200 million) and GDP (\$2.1 trln) makes it impossible to build a viable geo-economic pole on its basis. With the option of partnering with the EU foreclosed for political reasons, Russia can only turn to China.

Is Russia moving into China's economic orbit?

Since 2009, China has ranked as Russia's top trading partner as an individual country, the spot previously occupied by Germany. In 2018, for the first

time, Russia-China trade exceeded \$100 bln, reaching \$107 bln, accounting for 15% of Russian exports and imports.⁶¹⁾ Since the Ukraine crisis in 2014, Russia saw the exports and imports with all of its top ten trade partners decrease – except China. From 2014 to 2019, Russia-China trade volume rose by 17%.⁶²⁾ According to Chinese customs data, in 2019 Russia-China trade grew 3.4%, reaching a record high of \$111bln. One of the trends is Russia's increasing imports of Chinese autos and industrial equipment, with China overtaking Germany as the top supplier of industrial machinery to Russia.⁶³⁾

Due to the effect of the coronavirus pandemic, in 2020 China-Russia trade dropped by 2.9%, amounting to \$107.76 bln. The contraction is largely caused by the fall in the price of oil, Russia's main export to China. At the same time, Russia's economic dependence on China showed a noticeable increase during the 2020 pandemic, with China's share in Russia's foreign trade rising to 18.1% from 16% a year earlier.⁶⁴⁾

On the one hand, Russia's pull into China's geo-economic orbit is inevitable, driven by the logic of the international marketplace. China needs huge volumes of natural resources and Russia is a major supplier of these. On the other hand, Russia's embrace of China as the main economic partner was a political decision born of the confrontation with the West that flared up in 2014 over Ukraine and has been only getting worse ever since.

Not surprisingly, it was in the area of hydrocarbons that Russia's economic pivot to China has been the most impressive. Since 2015, Russia has

61) 'Russia's trade with China surges to more than \$107 billion.' RT. 14 Janury 2021. <https://www.rt.com/business/448783-russia-china-trade-turnover/>

62) Vadim Visloguzov. 'V plyuse tol'ko Kitai.' Kommersant. 9 August 2019. <https://www.kommersant.ru/doc/4054828>

63) Alexander Gabuev. 'Kitayskoye zerkalo.' Kommersant. 17 January 2020. <https://www.kommersant.ru/doc/4221187>

64) 'Oborot trgovli mezhdru Rossiyei i Kitayem v pervom polugodii...' Biang. 10 August 2020. [http://biang.ru/ru/news/oborot-torgovli-mezhdru-rf-i-kitaem-v-i-polugodii-snizilsya-na-5,7,-do-\\$48,2-mlrd-fts.html](http://biang.ru/ru/news/oborot-torgovli-mezhdru-rf-i-kitaem-v-i-polugodii-snizilsya-na-5,7,-do-$48,2-mlrd-fts.html)

increased the oil exports to China by 60%,⁶⁵⁾ at times displacing Saudi Arabia as China's top supplier of crude oil. In December 2019, the Power of Siberia pipeline started delivering natural gas to China. Chinese state-owned companies are stakeholders and major buyers of liquefied natural gas from Russia's projects in the Arctic. Russia has also been increasing food supplies to China.⁶⁶⁾

Two new bridges (one already completed and the other under construction) across the Amur River symbolize Russia's growing closeness to China. It is remarkable that for centuries the Amur has been the main boundary between Russia and China, but there was not a single permanent bridge across the border river. China's economic decoupling from the US is likely to increase Beijing's long-term interest in Russian commodities. Russian supplies, most of which come overland, are also more secure in the light of a possible trade embargo and naval blockade – options the US and its allies may resort to in a military conflict with China.

Russia's turn to China – and away from the US – is happening in the financial domain too. In 2018 Russia's Central Bank drastically reduced the share of its assets held in the US from 29.9 to 9.7%. At the same time, the Central Bank increased its Chinese holdings from 2.6 to 14.1 percent. The share of the Russian Central Bank's dollar-denominated reserves also decreased from 45.8 to 22.7%, while its yuan holdings jumped from 2.8 to 14.2%.⁶⁷⁾ In June 2019, Moscow and Beijing inked an agreement to switch to national currencies in bilateral trade as they ramp up efforts to move away from the US dollar.⁶⁸⁾ Russia has become the biggest international

65) Sergei Kiselyov. 'Energeticheskiye mosty Evrazii.' *Nezavisimaya Gazeta*. 24 October 2019. http://www.ng.ru/economics/2019-10-24/100_193324102019.html

66) Thomas Grove and Anatoly Kurmanaev. 'A Surprise Winner From the U.S. – China Trade Spat: Russian Soybean Farmers.' *The Wall Street Journal*. <https://www.wsj.com/articles/russia-exploits-u-s-china-trade-tensions-to-sell-more-soybeans-11550745001>

67) Bank of Russia. Annual Report 2018. http://www.cbr.ru/Collection/Collection/File/19699/ar_2018.pdf

holder of yuan-denominated reserves. Notably, the share of renminbi in the reserves of global central banks is only around 2 per cent, of which a quarter is held by Russia.⁶⁹⁾

However, the reality of closer economic relations with China turned out to be more complicated than initially expected. The most disappointing for Moscow is the failure to attract Chinese FDI. As Kremlin officials admit, 'it cannot be said that China invests a lot in the Russian economy.'⁷⁰⁾ So far Chinese investors largely demonstrate a wait-and-see approach to Russia. Similar to other foreign companies, they tend to see the risks of entering Russia as high, whereas the profit margins are not substantial enough to offset the risks. To Chinese businesses, Russia is of interest mainly as a supplier of natural resources such as minerals, hydrocarbons or timber. However, most of these resources are not unique and can be imported from elsewhere, as long as maritime routes remain open. For instance, coal can be imported from Australia, iron ore from Brazil, copper from Chile and timber from New Zealand. Marine freight is inexpensive, canceling out Russia's seeming advantage of proximity to the Chinese market. At the same time, the freezing winter temperatures, difficult terrain and lack of transport and energy infrastructure across much of Russia often result in higher costs to extract and deliver its natural riches, compared to competitors in Africa, South America or Southeast Asia.

As Moscow moves into Beijing's economic orbit, it is still determined to avoid the level of dependency that could pose risks to Russia's political

68) 'Russia & China agree to significantly boost trade in ruble and yuan at the expense of the US dollar.' Ministry of Economic Development of the Russian Federation. 28 June 2019. <http://www.ved.gov.ru/eng/general/news/19/25081.html>

69) Cissy Zhou. 'China's wish to end US dollar dominance is unlikely to come true with no genuine challenger in the wings.' South China Morning Post. 20 August 2020. <https://www.scmp.com/economy/china-economy/article/3098118/chinas-wish-end-us-dollar-dominance-unlikely-come-true-no>

70) 'Peskov: Rossiya rasschityvayet na uvelicheniye ob'yoma kitayskih investitsiy.' TASS. 3 June 2019. <https://tass.ru/ekonomika/6500890>

independence and sovereignty. The Kremlin keeps limits in place that should prevent Russia from being too closely integrated with the Chinese economy and save Russia a significant degree of economic autonomy. In addition to refusing to sell China strategic assets, such as ports, these limits are manifested in Russia's reluctance to accept Chinese loans. As one observer points out, 'the Russian government is careful not to incur sizeable debt to China,'⁷¹⁾ which is due not only to the Kremlin's general aversion to accumulating foreign debt, but is also guided by the resolution to deny China financial leverage over Russia. Moscow is also in no hurry to work toward a free trade agreement with China, limiting itself to a non-tariff trade facilitation agreement that became effective in October 2019. Russian officials have repeatedly stated that Russia and its fellow Eurasian Economic Union members are not yet ready to open their markets to China.⁷²⁾

Technology is currently the weakest link in the Sino-Russian economic cooperation. Technological nationalism on both sides is a major obstacle. Russia and China have yet to show they can effectively collaborate on major hi-tech projects and achieve the levels of technological integration and division of labor found in the West. Previously agreed projects, such as the joint development of a wide-body passenger jet able to compete with Boeing and Airbus, have not made much progress. This, however, can change as Russia and China are losing access to Western technology. As Samuel Bendett and Elsa Kania point out, "US policy has sought to limit Chinese and Russian engagements with the global technological ecosystem, including through sanctions and export controls. Under these geopolitical

71) Vassily Kashin. Zapad i rossiysko-kitayskiye otnosheniya: stadii otritsaniya.' Valdai. 23 May 2019. <http://ru.valdaiclub.com/a/highlights/zapad-i-rossiysko-kitayskie-otnosheniya/>

72) 'Biznes stran EAES ne gotov k sozdaniyu zony svobodnoi trgovli s Kitayem – ministr EEK.' Evraziya Ekspert. 10 April 2019. <https://eurasia.expert/biznes-stran-eaes-ne-gotov-k-sozdaniyu-zony-svobodnoy-torgovli-s-kitayem/>

circumstances, the determination of Chinese and Russian leaders to develop indigenous replacements for foreign, particularly American technologies, from chips to operating systems, has provided further motivation for cooperation.”⁷³⁾

Digital will be one key sector indicating the progress of Russian-Chinese high-tech cooperation. Moscow has signaled that Russia will be happy to use Chinese 5G and IoT technology, provided the manufacture of hardware is localized in Russia. Huawei is expanding its presence in Russia, planning, among other things, a four-fold increase of its Russian-based R&D staff.⁷⁴⁾ That said, it remains to be seen if Chinese hi-tech companies will agree to share with Russia the core parts of their R&D and production processes.

A US-China decoupling may turn out to be a mixed blessing for Russia. A prominent Russian economist estimates that, on balance, the divorce of the world's biggest economies will be bad for Russia due to its detrimental effects on the global economy. The negative impact could be partially offset if Russia integrates into Chinese value chains, but Moscow is wary of such integration because it can make Russia dangerously dependent on China.⁷⁵⁾ The risks of overdependence on the Chinese market were underlined by the “fish crisis” triggered by China's decision, in December 2020, to halt imports of fish due to the concerns that COVID-19 can spread through the so-called “cold chain” of imported frozen foodstuffs. Up to 70% of the Russian fish exports goes to China.⁷⁶⁾ Russia's main fish export

73) Samuel Bendett and Elsa Kania. ‘A new Sino-Russian high-tech partnership.’ Australian Strategic Policy Institute. 29 October 2019. <https://www.aspi.org.au/report/new-sino-russian-high-tech-partnership>

74) Elizaveta Makarova. ‘Huawei stalo tesno v Krylatskom.’ Kommersant. 19 August 2019. <https://www.kommersant.ru/doc/4065780>

75) Sergei Afontsev. ‘Vozdeystviye amerikano-kitayskogo rastsepleniya na mirovuyu ekonomiku i riski dlya Ros sii.’ Russian International Affairs Council. 15 October 2020. <https://russiancouncil.ru/activity/policybriefs/vozdeystvie-amerikano-kitayskogo-rastsepleniya-na-mirovuyu-ekonomiku-i-riski-dlya-rossii/>

76) Alexei Poluhin. ‘Mintai ne vidit drugih beregov.’ Kommersant. 29 January 2021. <https://www.kommersant.ru/doc/4663933>

to China is raw pollack from the Russian Far Eastern seas. This is high-value fish similar to the North Atlantic cod. Other than China, there is currently no alternative market Russian fishing companies could profitably sell it to. The desperate situation with Russian fish exports to China shows how risky it is to rely on one major buyer, even if this buyer is a country that is Russia's main strategic partner. The best way to fix this problem would be to process all the fish in Russia, rather than sell raw fish to China. But building and equipping facilities to store and process the fish in Russia will take years and a lot of investment.

Internal factors

I would argue that the trajectory of huge political entities, such as Russia, China, India or the US, is determined by their domestic processes rather than by external factors. Therefore we must look at the possibility of domestic political and economic changes (or lack thereof) in Russia. The main question is: what kind of a political regime will Russia have by 2030? It is difficult to foresee the future for any country. But Russia is a country whose internal trajectory is notoriously hard to predict. Just think of what has happened to Russia just during the last thirty-five years. In 1984, the Soviet Union was a superpower, an “empire of evil” in the eyes of many in the US, in the West, and South Korea. It seemed like the USSR would continue to exist almost forever. But, in 1985, Mikhail Gorbachev started “perestroika” that triggered an avalanche of changes and culminated in the collapse of the Soviet Union in 1991. In the 1990s, under Boris Yeltsin, the newly democratic Russia became one of the most free-wheeling countries in the world in terms of its wild capitalism and social mores. In 2000, Vladimir Putin came to power and the pendulum swung back toward

authoritarianism, social conservatism, and great-power nationalism. Moscow's foreign policy has also undergone dramatic changes in the last few decades: from confronting simultaneously the US and China in the early 1980s to having them both as partners in the 1990s and early 2000s, and then again becoming hostile with the US while establishing a quasi-alliance with China. Such a roller-coaster trajectory over the last several decades suggests that the Russia of 2030 – its domestic politics and foreign policies – might be very different from the Russia of 2020.

Economics: the uncertainty over Russia's economic model in a post-carbon digital world

Russia's future, including its standing in international affairs, will crucially depend on the state of its economy. It has to be admitted that, as of now, Russia's economic prospects look bleak. Since around 2013, Russia's economy has been stagnating, with the average rate of the annual GDP growth not exceeding 1%. The COVID-19 pandemic caused the Russian economy to contract by 4%. It is estimated that even in the best case scenario Russia could recover to the pre-covid level no sooner than by the spring or summer of 2022.⁷⁷⁾ As another indicator of Russia's ailing economy, since 2013 real disposable incomes of Russians have fallen by 10%.⁷⁸⁾

Even if Russia successfully overcomes the COVID-19 and its consequences, it will still continue to face profound problems weighing down on its economic development. The main problem is the lack of structural and

77) Olga Solovyova. 'Statisticheskiy prirost rossiyskogo VVP budet obespechen vosstanovleniyem mirovogo spr
osa na neft.' *Nezavisimaya Gazeta*. 28 January 2021. https://www.ng.ru/economics/2021-01-28/1_8069_economics1.html

78) Yulia Starostina and Ivan Tkachyov. 'Rosstat otsenil masshtab snizheniya real' nyh raspolagayemykh dohodov
rossiyan.' *RBK*. 28 January 2021. <https://www.rbc.ru/economics/28/01/2021/60129a749a7947cf1ca85d53>

institutional reforms. Russia's current economic model is increasingly inefficient, which is very much due to the neo-feudal model of governance established in Russia under Vladimir Putin. This governance model is extremely state-centric, values loyalty over merit, and relies upon extracting rent from Russia's natural resources rather than prioritizing innovative-driven development. Another impediment to Russia's economic growth is Moscow's confrontation with the US-led West. In the wake of the 2014 Ukraine crisis Russia was subjected to sanctions imposed by the US and many of its allies, including the EU and Japan. Since then, Russia's relations with the West have continued to deteriorate. This is having a major impact on the state of Russia's economy, given that Europe has always been Russia's main trade and investment partner as well as its main source of imported technology.

Two more existential challenges to Russia are now shaping up in the economic sphere. The first is the future of fossil fuels. The so-called peak oil demand that only a decade ago seemed a very remote, and even unlikely, prospect now looms perilously over hydrocarbon producers. The COVID-19 seems to have accelerated the shift to carbon neutrality. Until recently, Russian officials and energy executives dismissed the peak oil demand, but now they are starting to acknowledge the arrival of a new reality. In December 2020, Russia's deputy finance minister remarked that the peak of the global oil consumption "may have already passed." He added that there is a rising risk that Russia's "hydrocarbon revenues could come in below the current outlook."⁷⁹⁾ Exports of oil and natural gas make up the bulk of Russia's export earnings. In 2020, the oil and gas sector made up a third of Russia's central budget revenues. The Russian government,

79) 'Russia starts preparing for life after peak fossil fuels.' Bloomberg. 5 December 2020. <https://www.bloomberg.com/news/articles/2020-12-05/russia-starts-preparing-for-life-after-peak-fossil-fuels?srnd=premium-europe&sref=Y0jVLcFo>

under Putin, has long sought to diversify the economy in order to reduce the dependence on energy exports, but so far with little success. It appears the Kremlin has no clear vision as to how the Russian economy would function in the post-hydrocarbon world. There is still no answer to the question what could replace oil and gas in Russia's exports.

The second challenge relates to the global technological rivalry, especially in the digital domain, and Russia's lack of resources to compete in this race on par with the frontrunners. The world is fragmenting into separate "techno-spheres," one of which is dominated by the US and the other by China. Russia is loath to join either the American or the Chinese techno-sphere, being understandably worried about the consequences of such a move for the national sovereignty and security. Moscow is keen to retain its digital independence. Russia does have some significant assets in the cyber domain, including an indigenous search engine (Yandex), Russian-owned and Russian-designed social networks (VK and Odnoklassniki) and Russia's own e-mail service (Mail.ru). However, that may not be enough in the long run, given the modest size of the Russian digital market. Even with the addition of other members of the Russia-led Eurasian Economic Union, it is just 184 million people, which is far smaller than the markets dominated by American and Chinese platforms. Russia's another weakness is that its microelectronics and semiconductor industry is no match to global leaders in this area – and the gap continues to widen. Some Russian experts suggest that Russia should initiate and lead a "digital non-alignment" movement, bringing together countries that do not wish to become technological satellites to either the US or China.⁸⁰⁾ However, such an idea seems wishful thinking rather than a realistic prospect. Russia will

80) 'Konkurentsia tekhnologicheskikh platform: ukrepleniye suvereniteta ili udobstvo pol'zovatelya.' Valdai. 26 January 2021. https://ru.valdaiclub.com/events/posts/articles/konkurentsia-tekhnologicheskikh-platform-ukreplenie-suvereniteta-ili-udobstvo-polzovatelya/?sphrase_id=389429

hardly be able to create a techno-sphere of its own or a techno-bloc where it acts as one of the leaders. The best it can hope for in the long term is to balance between the US-centric and Sino-centric platforms, avoiding excessive reliance on either one, while maintaining some capability to produce indigenous technological solutions, albeit in most cases of inferior quality, to secure the critical infrastructure.

Politics: what is the future of the Putin state?

Vladimir Putin has been at Russia's helm for more than two decades, having first been elected president in 2000. The political system he has created can be called the Putin regime, or the Putin state. The crucial question is, for how much longer it can exist? In recent years, there has been growing discontent with the regime. In the March 2018 presidential election, Putin won in a landslide, getting 77% of the votes. However, soon after this triumphant victory his approval rating began to slide down, even though Putin remains by far the most popular politician in Russia. In January 2021, according to an opinion poll, 53% of Russians had "trust" in Putin, whereas 35% "distrusted" him.⁸¹⁾ This might look like very good numbers for leaders of many other countries, but for Putin it reflects a decline from his previous stellar levels of public support.

There have been unmistakable signs of the incremental erosion of the legitimacy of the governance system Putin presides over, manifested, in particular, by increasingly frequent political protests. There is no doubt that the Putin state still has significant staying power and resilience. It is hardly destined for imminent collapse and may continue to exist for

81) 'Uroven doveriya k Putinu opustilsya v Rossii do 53%.' NEWSru.com. 29 January 2021. https://www.newsru.com/russia/29jan2021/trust_down.html

decades. That Russia was able to quickly develop and deploy its own vaccines against COVID-19, alongside the US, Europe and China, is another reminder that Russia's capabilities should not be underestimated.⁸²⁾

But the long-term survival of the Putin state is not guaranteed. There is an inherent contradiction within the Putin state that presents it with an existential dilemma. In order to achieve high rates of economic and technological development that could satisfy the population's desire for better life and sustain Moscow's great-power ambitions, Russia needs major structural and institutional reforms. Without such reforms, Russia is doomed to remain an economy dependent on exports of hydrocarbons and raw materials, which is a road to nowhere, especially in the increasingly competitive geopolitical environment. However, any serious reforms will inevitably require big changes to the political system, challenging the power of the ruling elite that have formed during the decades of Putin's governance. How and when this contradiction is resolved remains to be seen, but it is clear that the magnitude of this dilemma for Russia will only grow over time.

Scenarios of Russia-2030

I came up with four ideal-type scenarios. They are ranked in the order of declining probability, that is, Scenario 1 is the most likely while Scenario 4 is the least likely.

82) Andrew Kramer. "Why I got the Russian vaccine." The New York Times. 8 January 2021. <https://www.nytimes.com/2021/01/08/world/europe/russian-vaccine.html?smid=tw-share>

Scenario 1. The continuation of the Putin statel

This is my basic scenario. In 2030, Russia retains basically the same features of its domestic and foreign policies as it has now. The current system in Russia – or the Putin state – is, politically, a hybrid regime, predominantly autocratic and highly centralized, but still retaining some elements of liberal and electoral democracy. Economically, it is a state-centric model, where the majority of productive assets is owned or controlled by the central government. The Putin state has been yielding diminishing economic returns, but the regime prioritizes political stability and continued hold on power over institutional reforms that could reinvigorate the economy. In terms of international politics, the Putin model is characterized by tense relations with the West and especially the US, while maintaining a “strategic partnership” with China.

According to this scenario, Russia’s domestic and international politics will not change much by 2030. This will be more likely if Vladimir Putin stays in office until 2030, which he is allowed to under the amendments to the constitution adopted in 2020. Putin’s popularity has been incrementally sliding downwards in recent year, but he remains by far the most popular political leader in modern Russia and no viable alternative to him can be seen so far. Despite some signs of growing popular discontent, the Putin regime looks quite robust and stable at the moment. Putin may, in fact, step down from the presidency much earlier than the current constitutional term limit of 2036. I would not be too surprised if he leaves even before 2024, when the next election is due. What is important for the continued preservation of the Putin state is Putin’s ability to choose his successor and ensure the smooth transfer of power to his pick. So far Putin seems to be in full control, including the option of an early transfer of power.

As a bipolar order defined by an established superpower (the US) and an

emerging superpower (China) is gradually taking shape, Russia needs to decide what position is best for it in such a system. It is not impossible, but still very unlikely that, under Putin, Russia-US relations can be significantly improved or normalized. As long as Putin is in power, the possibility for Moscow-Washington rapprochement looks very slim. If Russia's relations with the US remain largely adversarial, it leaves Moscow only one choice – siding with Beijing. Therefore we are going to see the continuation of the Russia-China “strategic partnership.” The Russia-China entente is likely to get even stronger. Facing an intensifying hostility from Washington, Beijing will need Russia – its only major-power friend – even more. Meanwhile, Moscow will look to China, and its continued demand for Russian energy and commodities, as Russia's best chance economically.

Russia and China are being drawn to each other by the most elementary law of international politics: that of the balance of power. From the balance-of-power perspective, it is only natural that two lesser poles should join forces against the preponderant player in the international system—the US. In addition to seeing Washington as the main problem in terms of the structural balance of power, both Moscow and Beijing view the US-led West as the primary threat to their political regimes. Indeed, the similarity of Russia and China's contemporary political systems, both being state-centric autocracies, is another crucial pillar of their strategic entente.

The personalities of the Russian and Chinese supreme leaders, Vladimir Putin and Xi Jinping, are another major factor in the contemporary Russian-Chinese alignment. Putin and Xi, who are almost of the same age, are getting along very well, and there seems to be a personal affinity between the two. In terms of their political philosophies, Xi and Putin are on the same wavelength sharing the flair for realpolitik in international affairs, coupled with a conservative and nationalistic authoritarianism in

domestic politics. Both leaders attach high priority to military force and the security apparatus as tools for defending national interests abroad and maintaining what they see as legitimate order at home. Putin and Xi may stay in power for a long time. Putin's current presidential mandate expires in 2024, but the latest amendments to the Russian constitution allow him to stay on until 2036. Similarly, Xi could remain at the helm even after his current term ends in 2022.

As long as the above factors – the shared perception of the US as the main external threat, the solidarity of autocratic illiberal regimes, and the leaders' personal affinity – continue to operate between Russia and China, we may expect that the Moscow-Beijing axis will continue to exist, and possibly grow even stronger.⁸³⁾ We could even see the elevation of their strategic partnership to the level of a full alliance based on a formal treaty. In October 2020, Putin gave the most definitive statement yet on the possibility for a Russia-China military alliance. He said such an “alliance is not on the agenda now.” Still, it is “conceivable” and “cannot be ruled out in principle.”⁸⁴⁾

Xi Jinping and other Chinese officials have never publicly hinted at the possibility of an alliance with Russia. This is not surprising as doing so would directly contradict China's non-bloc and non-alignment pledges which are still part of Beijing's official doctrine. Beijing might also be careful not to excessively provoke the US with pronouncements of an alliance between America's chief great power competitors. That said, official Beijing has never refuted Moscow's periodic invocation of the alliance language with respect to Russia-China ties, which can be

83) Artyom Lukin. 'The Russia-China entente and its future.' *International Politics*. 2020. <https://doi.org/10.1057/s41311-020-00251-7>

84) Vladimir Putin. Remarks at the meeting of the Valdai Discussion Club. 22 October 2020. <http://en.kremlin.ru/events/president/news/64261>

interpreted as the desire to maintain ambiguity. It is also notable that some high-ranking Chinese experts have started to mention a Sino-Russian alliance as a possibility. A prominent Chinese scholar recently argued that "China and Russia should maintain a strategic partnership, take full use of the possibilities it contains, and leave the door to alliance open...At a certain critical point, the alliance may become a practical need for China and Russia."⁸⁵⁾

One frequently-heard objection to the possibility of a Sino-Russian alliance is that Russia would be a dependent and hence resentful partner. There is no denying the growing disparity in economic might between Russia and China. However, economic asymmetry is not equal to political subordination. As long as Russia keeps a great-power mindset and wields nuclear weapons, it will not be junior to China politically. After all, Russia has been Europe's resource periphery for centuries while acting politically as a great power. Why not repeat the same pattern with China? Furthermore, while highlighting Russia's growing economic dependence on China, there is probably some underestimation of the degree to which China itself depends on Russia. As long as there is the real – and rising – risk of China clashing with the US (over the South China Sea, Taiwan or other issues), the strong bond with Russia—the only major power that can provide Beijing with diplomatic support, military technology, and secure access to vital commodities—will be crucial for the PRC. With Moscow as a close partner, Beijing can be confident about the security of its northern borders, turning them into 'a stable strategic rear area.'

One crucial question is, if a serious crisis, with the potential to spark a war, erupts between China and the US, what would Russia do? Moscow

85) Zhao Huasheng. 'Should Russia and China form an alliance?' Russian International Affairs Council. 12 January 2021. <https://russiancouncil.ru/en/analytics-and-comments/analytics/should-china-and-russia-form-an-alliance/>

will surely support Beijing diplomatically and will guarantee the security of Chinese northern borders. But it is difficult to imagine a scenario under which Russia would be willing to back China directly by entering the fight with the US on China's side. There are too many risks and few conceivable benefits for Russia to declare war on the US unless Russia is directly attacked.

What are the prospects for Russia's relations beyond the great power triangle in 2030? Russia's relations with the two Koreas are likely to remain stable. Since 2000, when Putin became president, Moscow's relations with Seoul and Pyongyang have shown remarkable consistency, with Russia seeking good relations with both the ROK and DPRK. Russia's interest in South Korea is mostly economic, the South being Russia's second biggest trade partner in Asia (after China, but ahead of Japan). In contrast, Russia mainly has geo-strategic interests with respect to the North. Moscow believes that, on balance, the continued existence of the DPRK benefits Russia. Therefore, in 2030, we may expect Russia to have reasonably good relations both with the North and the South.

As for Russia-Japan relations, they are too likely to stay essentially the same in 2030 as they are in 2020. That said, I do not rule out a breakthrough in the territorial dispute over the Southern Kuriles/Northern Territories. Since the start of his rule, Putin has periodically signaled that he is open to settling the dispute through compromise. Putin will never cede all the four disputed islands to Japan, but he might, under certain conditions, still agree to transfer to Japan the two smaller islands (Shikotan and Habomai) provided Japan accepts this as the final solution. In exchange for territorial concessions, Moscow would ask for a hefty financial compensation from Tokyo, perhaps in the form of Japanese investments in the Russian Far East and the Arctic.

Scenario 2. The liberalization of Russia

By 2030, Russia undergoes political democratization and liberalization while its relations with the West improve. One condition for this scenario is that Putin leaves, either on his own or under pressure (for example, due to the rise in public discontent with the existing political regime). As noted earlier, the political system Putin has built in Russia looks quite strong at the moment. There are no significant indications of its imminent collapse. Still, there have lately been some signs that can be worrying for the Kremlin, such as the steady decrease in Putin's approval ratings and occasional flare-ups of political protest. The most recent outbursts of people's discontent happened in the summer of 2020 in the Far Eastern city of Khabarovsk over the arrest and imprisonment of the popular local governor and, in January 2021, protest rallies and marches were held across many Russian cities, triggered by the arrest of the opposition politician Alexei Navalny. One cannot completely rule out that, because of a severe economic crisis or some other internal or external shocks, Putin's autocratic regime will begin to crumble and will be replaced by a more democratic regime.

Even with the departure of the Putin regime, it is unlikely that by 2030 Russia will become a liberal democracy. Under this scenario, Russia remains a hybrid regime, but the balance shifts from authoritarianism to democracy. Russia's governance becomes less centralized, with the Russian Federation becoming a federal state not in name only. Moscow's foreign policy becomes less sharp and audacious. Russia's new leadership normalizes relations with the US and the EU.

What would the liberalization scenario mean for Russia's relations with China? If it ever happens, it would weaken Russia's political bonds with the CCP-dominated China, even though the extent of a negative impact is

impossible to predict. Some historical analogy could be gleaned from the collapse of the Soviet Union in the early 1990s when the post-communist and newly democratic Russia under Boris Yeltsin, which then sought to be part of the West, had to decide about how to proceed with the post-Tiananmen communist China. Moscow decided in favor of good-neighborly relations with Beijing, albeit at that time it was not a strategic partnership or entente. It is likely that, all other things being equal, Russia and China would be able to keep generally friendly relations even if they have political regimes as different as a democracy in Moscow and a party-state autocracy in Beijing. However, it is an open question whether they would be able to maintain their quasi-alliance under such circumstances, especially if Russia's political liberalization results in a substantial improvement of its relations with the West.

In a nutshell, Russia will continue to have a vital stake in good relations with China. Therefore, normalization with the West is not likely to lead to major deterioration of Russia's ties with China. If a serious crisis erupts between China and the US, Moscow will stay neutral.

Russia-Korea. If Russia normalizes relations with the US, that should also be good for Russia-ROK relations. Given that the ROK is a junior US ally, it will be much easier for Seoul and Moscow to deal with each other if Russia and the US leave their mutual hostility behind. One reason is the removal of sanctions that would likely come with Russia-US normalization. Seoul has not formally joined the anti-Russia sanctions imposed by the US government but major South Korean companies de facto comply with many of them. Russia's relations with North Korea are likely to remain stable under this scenario. Russia will seek to maintain equidistance with Pyongyang and Seoul. It will remember the lessons of the 1990s when Moscow abandoned Pyongyang in favor of Seoul only to find out that its influence

on the Korean Peninsula dropped to zero. Regardless of whether Russia is ruled by an authoritarian or democratic government, Moscow will seek to maintain good-neighborly ties with the DPRK.

Russia-Japan. Moscow's relations with Tokyo may improve somewhat thanks to the Russia-US normalization, but a territorial settlement is still unlikely. Somewhat paradoxically, Japan has more chances for reaching a compromise with the autocratic Putin regime than with a more democratic government in Russia.

Scenario 3. The North Koreanization of Russia

Russia's political system becomes even more autocratic, illiberal and militarized. This may happen either under Vladimir Putin or under his successor, who will most likely be chosen by Putin himself. Russia's relations with the West deteriorate still further, even to the point of an almost complete termination of economic and human contacts with the US and EU. Russia becomes a giant North Korea – a semi-isolated and militarily powerful, nuclear-armed state with a malfunctioning economy.

Another commonality with North Korea is Russia's extreme economic dependence on China. This scenario may well see Russia become a member of the tripartite alliance with China and North Korea, where Beijing acts as the leader.

But, similar to North Korea, despite professions of close friendship and a possible military alliance, Moscow does not have full trust in Beijing. If a serious crisis erupts between China and the US, Moscow will support Beijing rhetorically and diplomatically as well as provide a safe rear area for China, but will choose not to commit militarily.

Such a scenario will definitely not be good for Russia's relations with the

ROK and Japan. If Tokyo and Seoul remain US allies, it will be difficult for them to keep normal relations with a North-Koreanized Russia. However, even under this scenario, deterioration in Russia's relations with Seoul and Tokyo will not be as substantial as with the US and Europe, thanks to the less ideological, and more pragmatic, character of Japan's and South Korea's foreign policies.

Scenario 4. The chaotization of Russia

Due to escalating domestic economic and/or political crises, Russia descends into disorder and chaos, even to the point of disintegration as a cohesive political entity. This scenario is the least likely of the four but it is not impossible. In the past one hundred years, Russia has twice experienced chaos and disintegration: in the aftermath of the 1917 revolution and in the 1990s in the wake of the collapse of the Soviet Union.

The chaotization scenario may come in the more or less extreme forms. The less extreme version could see a rise of centrifugal processes, with Russia's central government weakening considerably but still retaining some degree of sovereign control over much of the country.

The more extreme scenario is Russia falling apart, with some of its regions de facto seceding from Moscow. Thus we cannot rule out that Moscow will lose effective control over some of the territories of the Russian Far East or even all of them. The question is, if external powers would attempt to take advantage of Russia's collapse and establish control over, or perhaps even outright annex, the newly "independent" territories in the Far East? China is, of course, the player that could be tempted to reclaim what was once part of the Qing Empire. But how about other Russia's neighbors, such as Japan? Could Japan try to seize the South Kuril Islands ("Northern Territories")?

Implications for Russia's strategic posture in Northeast Asia

Somewhat counterintuitively, the above scenarios, some of which suppose quite significant departures from Russia's current political model, are unlikely to produce commensurate changes in Russia's strategic posture in Northeast Asia. Since the defeat in the 1904-05 Russo-Japanese War that demonstrated Russia's inherent weakness in the region its posture in the Asia-Pacific has been largely defensive. The geopolitical ambitions of the Soviet Union/Russia have been primarily directed to the west (toward Europe), to the south (the Middle East/West Asia) and to the north (the Arctic), whereas in Northeast Asia Moscow has mainly sought to retain sovereign control over the Far East, rather than gaining new possessions or spheres of influence beyond its national borders. This remains true under Putin and is likely to remain the case under his successors. Therefore Scenarios 1, 2 and 3 are all likely to see Russia in a defensive posture in Northeast Asia. Russia will be primarily concerned with mitigating its military vulnerabilities in a region that features a concentration of formidable military powers, not with creating any major offensive capabilities.

That said, specific scenarios can make a significant difference strategically when it comes to Russia's relationship with China. Scenarios 1 and 3 envision strong bonds between Russia and China, perhaps even an alliance. It means that Beijing can, at a minimum, count on Russia serving as a safe rear area in case China finds itself at war with the US. Russia's direct entry into a military conflict on the side of China is unlikely, although it cannot be ruled out completely.

In Scenario 2, Russia will be trying to balance between the US/West and China. In case of a US-China war Russia will stay neutral, meaning that China will not be able to use Russia as a safe rear area.

Scenario 4 means that Russia, due to chaos/disintegration, ceases to be a

meaningful strategic player globally and in the Asia-Pacific. In this scenario, the Russian Far East itself could become easy prey to geopolitical predation from the neighboring powers.

The most possible strategic future of Northeast Asia in 2030

Unfortunately, the most likely strategic future of Northeast Asia around 2030 is rather grim, with the region facing a high risk of great-power war. This projection is based on the long-term trends that have, by now, shaped up clear enough. The most important one among them is the intensifying rivalry between the reigning superpower, the US, and an emerging superpower, China.

East Asia and the Western Pacific is the area where the interests of the two superpower rivals directly intersect and may eventually clash in a military conflict that could, in the worst case scenario, lead to a global catastrophe, especially if nuclear weapons are used.

By the early 2030s China may significantly reduce, or perhaps even eliminate, the gap in military capabilities with the US in the East Asian/Western Pacific theater.⁸⁶⁾ The attainment of military parity could push China to openly challenge the strategic primacy that the US has enjoyed in the region since 1945.

2030 is likely to be the time when Northeast Asia enters a pre-war situation. Unless the US and China are able to find mutual accommodation, a major war can erupt in the decade of the 2030s. There are at least five possible triggers for a US-China war (in the order of declining probability):

86) Meia Nowens. 'Is China speeding up military modernisation? It may, but not yet.' The Interpreter. 4 November 2020. <https://www.lowyinstitute.org/the-interpreter/is-china-speeding-up-military-modernisation-it-may-but-its-not-yet>

1) a crisis in the Taiwan Strait; 2) an escalation of the South China Sea disputes; 3) an India-China conflict, in which the US sides with India; 4) a China-Japan conflict (e.g., over the Senkakus), in which the US back Japan; 5) a crisis on the Korean Peninsula.

The positions of the other players with respect to a future US-China conflict

Japan is a US ally, which is likely to be on the side of the US in a military crisis with China, even if the conflict does not directly involve Japan, such as in the case of the South China Sea or China-India disputes.

South Korea, while still formally maintaining an alliance with the US, keeps neutrality amidst the Sino-American antagonism so as to avoid being drawn into a military conflict between the two.

North Korea, while being a partner and formal ally of China, supports Beijing rhetorically while seeking to avoid being drawn in a military confrontation between China and the US.

In 2030, Russia is likely to remain China's main "strategic partner" and a quasi-ally. However, similar to Pyongyang, Moscow will make every effort to stay out of a military clash between China and the US.

The most desirable strategic future of Northeast Asia in 2030

The ideal future of Northeast Asia in 2030 is one where the risk of major military conflict is reduced to zero, while the region's countries have been successful in constructing an inclusive web of bilateral and multilateral partnerships. China and the US have been able to find mutual accommodation. Political and economic competition between them still exists, but it no longer threatens regional and global peace.

There has been substantial reduction in tensions in the region's other problematic dyads: the US – DPRK, ROK-DPRK, mainland China – Taiwan, China-Japan, Japan – ROK, Japan – DPRK, Russia – the US, Russia – Japan.

North Korea still retains nuclear weapons, but it has reached an agreement with the US that limits and freezes North Korea's nuclear capabilities in exchange for lifting much of the sanctions. This settlement is supported by China, Russia, South Korea and Japan.

Inter-Korean relations have also significantly improved, with an increasing amount of economic cooperation going between the South and North, even though reunification still remains a distant, and increasingly improbable, prospect.⁸⁷⁾

How to narrow the gap between the two futures

The gap between the most realistic future and the most desirable one is huge. There are three main obstacles standing between the most probable future of Northeast Asia and the most desirable one:

The structural conflict between an established superpower (the US) and a new superpower (China).

The rampant nationalism in Northeast Asia. Unlike in Europe, where nationalism has lost much of its appeal after WW1 and WW2, it is still peaking in Asia.

The Korean Peninsula problem, an issue unique to Northeast Asia.

The most crucial task is to avoid a US-China clash. This can be done only if the US fully recognizes the new reality and accepts that painful concessions are necessary so as to accommodate a vastly expanded Chinese power.

87) Andrei Lankov. 'Severnaya i Yuzhnaya Korei: kogda primireniye opasno.' Valdai. 27 January 2021. https://ru.valdaiclub.com/a/highlights/severnaya-i-yuzhnaya-korei-kogda-primirenie-opasno/?sphrase_id=391025

It means the US abandoning the idea of maintaining primacy in East Asia/Western Pacific. It means recognizing that China has replaced the US as the most powerful player in the region. In practical terms, the US must agree to abandon Taiwan as an asset which is no longer defensible, making it the sacrificial lamb to buy peace and accommodation with China. Taiwan is the most serious war trigger in Northeast Asia. Unless the Taiwan issue is resolved, a US-China war will be an ever growing risk.

For its part, China must recognize that, although it has emerged as the most powerful strategic player in East Asia, it cannot, and should not, attempt to claim hegemony. The recognition of hegemony of any single actor as both unattainable and unacceptable should be the foundational principle of Northeast Asia's, and East Asia's, order.

The participants of the other conflictual dyads (US-DPRK, ROK-DPRK, China-Japan, Japan-ROK, Japan-DPRK, Russia-US, Russia-Japan) must also take mutual steps toward resolution or at least alleviation of their long-standing antagonisms and disputes. To achieve bilateral normalizations, the key will be reigning in nationalistic sentiments.

The Korean Peninsula problem and the related nuclear problem of North Korea can be resolved through either of two ways: 1) The collapse of the DPRK and annexation/absorption of North Korea by the ROK. 2) Normalization and accommodation with North Korea, including the recognition of the DPRK's de facto nuclear status.

PART V

**China's Foreign Policy and Security
Posture in 2030**

PART V

China's Foreign Policy and Security Posture in 2030

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Introduction

Largely abandoning Deng Xiaoping's low-profile approach to international affairs, China has implemented a much more active and assertive foreign policy, generating wide-ranging reactions in many parts of the world. As China rapidly emerges as a global power, the US- China relationship is almost in free fall in recent years. The two countries have tense disputes in multiple fronts, including trade, technology, cyberspace, the South China Sea, and Taiwan. Some commentators suggest that a key factor behind these tensions is a long-term struggle for a leading position in the international system.⁸⁸⁾ Seeking an ambitious goal to rejuvenate the Chinese nation, the Chinese leader Xi Jinping wants to build China into a leading global power. As China is expanding its global power, the US is pushing back. During the Trump Administration, "great power competition" was put front and center in US strategy against China.⁸⁹⁾ President Biden and his national security officials also see China as a long-term strategic challenge

88) Michael Pillsbury, *The Hundred-year Marathon: China's Secret Strategy to Replace America as the Global Superpower* (New York: Henry Holt and Company, 2015); Graham Allison, *Destined for War: Can America and China Escape Thucydides's Trap?* (Boston, MA: Houghton Mifflin Harcourt, 2017).

89) The White House, *National security strategy of the United States of America*. (Executive Office of The President Washington DC Washington United States, 2017).

even though their tactics on China might be different from Trump.⁹⁰⁾

China poses some profound questions not only for the US but also for the whole international community. According to former Australian Prime Minister Kevin Rudd, if China eventually becomes the largest economy, "we find ourselves at a point in history when, for the first time since George III, a non-western, non-democratic state will be the largest economy in the world."⁹¹⁾ What will China's foreign policy and security posture look like in 2030?

Will China seek to exclude the US out of Asia and replace the US as a new global leader? Can the US and China mutually accommodate each other's evolving role in Asia? What are the policy implications for East Asian countries if China plays a more significant role?

To evaluate China's long-term trajectory, we must analyze China's power as well as its intentions. The assessment of Chinese power is a complicated task, and there are contrasting perspectives in many parts of the world.⁹²⁾ Even within China, there are various opinions.⁹³⁾ Chinese elites might have overestimated China's rise and the West's relative decline after the 2008 global financial crisis.⁹⁴⁾ There might be a new sense of "triumphalism" among some Chinese elites since China might become the largest economy

90) Joseph R Biden Jr. "Why American Must Lead Again: Recusing US Foreign Policy after Trump." *Foreign Affairs*. 99 (2020), pp. 64– 76. Two of Biden's top national security officials lay out their visions before they joined the Biden Administration, Kurt M. Campbell and Jake Sullivan. "Competition without Catastrophe: How American Can Both Challenge and Coexist with China." *Foreign Affairs*. 98 (2019), pp.96–110

91) Kevin Rudd, "The West Isn't Ready for the Rise of China," 11 July, 2012, <https://www.newstatesman.com/politics/international-politics/2012/07/kevin-rudd-west-isnt-ready-rise-china>.

92) For instance, see Martin Jacques, *When China Rules the World*. Penguin, 2009; Michael. Beckley, "China's century? Why America's edge will endure." *International Security* 36.3 (2012): 41–78.

93) For a summary of China's internal debates on this topic, see: Xiaoyu Pu, "Controversial identity of a rising China." *The Chinese Journal of International Politics* 10.2 (2017): 131–149.

94) Joseph S. Nye Jr, "American and Chinese power after the financial crisis." *The Washington Quarterly* 33.4 (2010), pp. 143–153; Xinbo Wu. "Understanding the geopolitical implications of the global financial crisis." *The Washington Quarterly* 33.4 (2010), pp. 155–163.

ahead of time due to its relatively better economic performance.⁹⁵⁾ In the West, there are also heated debates regarding China's long-term intentions. Some US analysts emphasize that China has a long-term goal to replace the US as a new global leading power. For instance, one former Pentagon official even claims that China has a "secret strategy" to replace the United States as the leading world power.⁹⁶⁾

However, others caution against such an interpretation of China's strategic goal.⁹⁷⁾ Chinese leaders and officials seem to continue sending mixed signals. The 19th Chinese Communist Party (CCP) Congress in 2017 report laid out an ambitious blueprint for China's national rejuvenation, envisioning that China will become a "global leader in innovation, composite national strength, and international influence in the coming decades." ⁹⁸⁾ However, by emphasizing China's developing country status, Chinese leaders also emphasize China does not seek a hegemonic position on the global stage.⁹⁹⁾

The paper will proceed as follows. By analyzing Chinese and international sources, the first section conceptualizes China's evolving roles in Asia and worldwide. The second section examines China's power potential in 2030. The third section analyzes how Chinese perceptions of power and legitimacy shape China's evolving roles. The conclusion summarizes the key argument and the policy implications for East Asia.

95) Sidney Leng, "China GDP: coronavirus helped Chinese economy trim US\$1 trillion from gap with US in 2020," South China Morning Post, January 29, 2021: <https://www.scmp.com/economy/china-economy/article/3119796/china-gdp-coronavirus-helped-chinese-economy-trim-us1>

96) Pillsbury, *The Hundred-Year Marathon*, 2015

97) M. Taylor Fravel, et al. "China is not an enemy." *Washington Post* (2019). 5

98) Xi Jinping, "Secure a decisive victory in building a moderately prosperous society in all respects and strive for the great success of socialism with Chinese characteristics for a new era," report delivered at the 19th National Congress of the Communist Party of China, Beijing, 18 Oct. 2017, http://www.xinhuanet.com/english/download/Xi_Jinping%27s_report_at_19th_CPC_National_Congress.pdf

99) Xiaoyu Pu. *Rebranding China: Contested status signaling in the changing global order*. Stanford University Press, 2019, p.2

China's Evolving Roles

Through the "Going-out Strategy" (走出去战略; *zou chuqu zhanlue*) of the early 1990s and 2000s, the Belt and Road Initiative (BRI; 一带一路; *yidaiyilu*), which promotes trade and investment linkages in almost every country in the world, and the deployment of the Chinese military overseas, among other key policies and developments, China has quickly emerged as a global power. Although China's growing global role is mainly intended to support its own economic growth objectives, an increasingly extensive global footprint has meant that China faces rising challenges from actors in different parts of the world.

Within China, there are various visions that see China taking different roles on the world stage.

One of my earlier co-authored studies conceptualizes China's roles in three ideal types.¹⁰⁰⁾ China might: (1) act as a spoiler and emerge as a new leader with an alternative view of world order; (2) act as a supporter of the existing order, working within the existing rules of the game; or (3) act as a shirker, focusing on domestic growth without taking greater responsibility.¹⁰¹⁾ Considering China has pursued a much more active global diplomacy in recent years, a fourth role might emerge: China could be a co-leader in international affairs, not eager to replace the US as a new leader but more active in international public goods provision.¹⁰²⁾ In the following, I will discuss these four possible roles in details.

First, China could play a spoiler role to delegitimize the existing US-led

100) For the three ideal types of China's roles, see: Randall L. Schweller and Xiaoyu Pu. "After unipolarity: China's visions of international order in an era of US decline." *International Security* 36.1 (2011), pp. 41–72.

101) Schweller and Pu. "After unipolarity," 41–72. Some updated analysis, see: Shiping Tang, "China and the Future International Order(s)," *Ethics & International Affairs*, 32(1), 2018, pp. 31–43.

102) Xiaoyu Pu, "China's international leadership: Regional activism vs. global reluctance." *Chinese Political Science Review* 3.1 (2018), pp. 48–61.

order and replace it with something entirely new. This perspective assumes that the current order is mostly unjust, and it needs fundamental restructuring. An ambitious idea within China, this vision proposes: (1) that traditional Chinese philosophy provides a better framework than the current order to deal with world problems; (2) that US hegemony has lost international legitimacy; (3) that China's political and economic systems have gained legitimacy and provide the basis for a better social model for the world. While political implications of this vision are still uncertain, it aims to undermine the legitimacy of American hegemony in a complete sense. It is a vision and strategy consistent with the traditional realist story of power transitions.¹⁰³⁾

Second, China could play a supporter role. The position assumes that the existing order is largely legitimate, and it needs only reform. This vision posits the current order that has nurtured China's unprecedented growth. The unipolarity will give way to either a Sino-American bipolar system or a multipolar "Great-Power Concert" system. The leading powers will establish a relatively stable system of cooperation and managed competition. This would reflect the most optimistic view of international order and great power roles.

Based on this perspective, both US and China are mostly status-quo-oriented: valuing global and regional stability, making strategic bargains with each other, and abiding by great power norms of restraint. The US and the other democratic states retain their old alliance partnerships, but institutional reforms can bring all the great powers together. It is a world without fundamental ideological divides and conflicts, where all states are deeply integrated within a unitary global system.¹⁰⁴⁾

103) Schweller and Pu, "After Unipolarity," 2011. For power transition and US-China relations, Ronald L. Tammen and Jacek Kugler. "Power transition and China-US conflicts." *The Chinese Journal of International Politics* 1.1 (2006): 35-55.

Third, China could play a shirker role. China might not be eager to confront the existing order, nor will it become a full-fledged supporter. The third position holds that China should avoid playing an active and assertive role on the world stage. Instead, this position emphasizes China's domestic challenges and priorities. Internationally, this position assumes a power diffusion process instead of a power transition. International change brought about by a power diffusion process would generate an international order in which nation-states do not have the capacities to shape and direct the system. No great power would dominate the whole international system.¹⁰⁵⁾ Moreover, polarity would become far less meaningful as a predictor of international dynamics than it has been in the past—so much so that it might be more accurate to say that unipolarity will be replaced not by bipolarity or multipolarity but rather by non-polarity. For China, this vision supports a "hedging strategy" of avoiding direct confrontation with the US but preparing conditions for China to shape emerging world order in the long term.¹⁰⁶⁾

Fourth, China might act as a co-leader rather than a shirker or new hegemonic leader.¹⁰⁷⁾ In the context of international crises from the Brexit, the Trump Presidency to the global pandemic, Chinese leaders seem to sense that some international leadership from China may be possible and desirable. A few years ago, Chinese leaders typically highlighted a low-profile approach to global affairs, but that is no longer the case. China has pursued a more active foreign policy in recent years. In an internal session of China's National Security Commission, Xi stated that China is ready to

104) Schweller and Pu, "After Unipolarity," 2011

105) For more detailed analysis of power diffusion in world politics, see Randall L. Schweller, "Entropy and the Trajectory of World Politics: Why Polarity Has Become Less Meaningful." *Cambridge Review of International Affairs* 23.1 (2010), pp. 145–163.

106) Schweller and Pu, "After Unipolarity," 2011

107) Pu, "China's International Leadership: Regional Activism vs. Global Reluctance," pp. 48–61.

"guide the international society toward a more just international order."¹⁰⁸) Chinese leaders and intellectuals enthusiastically embrace such concepts of "global governance" (*quanqiu zhili* 全球治理) and the "China Solution" (*zhongguo fangan* 中国方案). Furthermore, the Politburo of the Chinese Communist Party held two special sessions on global governance. Two international relations scholars—Qin Yaqing and Gao Fei from China Foreign Affairs University—were invited to give lectures to top Chinese leaders.¹⁰⁹)

As China increasingly plays a more active role on the global stage, some Chinese elites emphasize that China should take a non-zero sum approach to global governance. For instance, Qin Yaqing emphasizes three themes of China's approach to global governance: multilateralism, public goods provision, and the positive role of Chinese culture.¹¹⁰)

Overall, China might take different roles in the emerging order. China's evolving roles will largely depend on the Chinese sense of power and legitimacy in international relations. As Kissinger emphasizes, "To strike a balance between the two aspects of order -power and legitimacy- is the essence of statesmanship."¹¹¹) The next two sections will evaluate Chinese power and the Chinese sense of legitimacy in international relations.

108) Xi Jinping Chairs Sessions of National Security Committee," 02-17-2017, Xinhua News Agency. http://news.xinhuanet.com/politics/2017-02/17/c_1120486809.htm.

109) "Xi Jinping emphasizes the importance of building a more fair and reasonable institution of global governance for China's development and world peace," http://news.xinhuanet.com/politics/2015-10/13/c_1116812159.htm; "Xi Jiping proclaimsto strengthen cooperation in transforming the global system of governance and promoting the peace and development of humanity," http://news.xinhuanet.com/politics/2016-09/28/c_1119641652.htm.

110) Yaqing Qin, *A Relational Theory of World Politics* (Cambridge, UK: Cambridge University Press, 2018), 318-356.

111) Henry Kissinger, *World Order*. Penguin Books, 2015, p. 365.

China's Power Potential

Evaluating Chinese power is a complicated task, and there are various perspectives and opinions. My overall evaluation is that China's economic rise will likely continue, but China also has significant limitations on its ability to project power regionally and globally. China's rise is real, and the trend might continue in the foreseeable future. By 2030,

China will likely have a slightly larger economy than the US.¹¹²⁾ However, China's economic trajectory will also be shaped by multiple uncertainties. According to a recent Rand report on China's long-term trajectory, China might have four possible scenarios in a long term: "triumphant China, in which Beijing is remarkably successful in realizing its grand strategy; ascendant China, in which Beijing is successful in achieving many, but not all, of the goals of its grand strategy; stagnant China, in which Beijing has failed to achieve its long-term goals; imploding China, in which Beijing is besieged by a multitude of problems that threaten the existence of the communist regime."¹¹³⁾ Among these four scenarios, two scenarios are unlikely: one is that China is both so successful and assertive that it will achieve its hegemonic status and the other is that China's political economic system will simply collapse. Somewhere between the two extreme scenarios, China will either achieve moderate success or face a situation of stagnation.

China's economic rise will likely continue, but China also has faced uncertainties and challenges in the coming years.

For instance, it is debatable if current growth model could be sustainable

112) Due to China's relatively better economic performance during the Covid-19 pandemic, China might surpass the US as the largest economy by 2028. See: Leng, "China GDP: coronavirus helped Chinese economy trim US\$1 trillion from gap with US in 2020,"

113) Andrew Scobell et al. *China's Grand Strategy: Trends, Trajectories, and Long-Term Competition*. Rand Corporation, 2020, pp. ix-x.

or not. China's other domestic challenges will limit its growth potential, including its ageing population and environmental problem. China's technological and military capabilities are still lower relative to those of the United States. Furthermore, converting economic power into military might is far more challenging than it was in the past.¹¹⁴⁾

China has potentials and limitations in economic growth and technological capabilities. How about China's future trajectory in geopolitics and soft power? In these dimensions, China's limitations might be more salient.

First of all, there is a tendency to overestimate China's rise and America's decline. Despite the hype about US decline, the US will remain more powerful than China in the coming decade, especially in geopolitical and military domains. Recently, the US has strengthened its military, diplomatic, and economic presence in Asia. Even strategists advocating that the US should readjust its grand strategy argue that the US should not withdraw from Asia. For instance, Charles Glaser argues that the US should adjust its security relationship with Taiwan. Still, the US should continue maintaining its alliances with Japan and South Korea, where American core interests are concerned.¹¹⁵⁾ Since World War II, the US has been a leading power in the Indo-Pacific region, and the US does not want to be pushed out of Asia by an exclusionary bloc.¹¹⁶⁾ The US has tried to prevent the emergence of a peer competitor in Asia.¹¹⁷⁾ As China's profile grows in Asia, the US sends signals to its allies and partners about its credible commitments in the region. Beijing might be increasingly dissatisfied with the strengthening of

114) Stephen G. Brookss and William C. Wohlforth. "The rise and fall of the great powers in the twenty-first century: China's rise and the fate of America's global position." *International Security* 40, no. 3 (2016): 7–53.

115) Charles L. Glaser, "A US-China Grand Bargain?: The Hard Choice between Military Competition and Accommodation." *International Security* 39, no. 4 (2015): 49–90.

116) Henry A. Kissinger, "The future of US-Chinese relations: conflict is a choice, not a necessity." *Foreign Affairs* (2012): 51.

117) John Mearsheimer, "The Gathering Storm: China's Challenge to US Power in Asia." *Chinese Journal of International Politics* 3.4(2010): 381–396.

the US alliance in Asia. However, Beijing is still unable to provide an alternative security structure that could realistically replace the current security order in East Asia.¹¹⁸⁾

Second, the geopolitical reality in Asia constraints China's potential to become a new regional hegemon. The US will remain a key player in the Indo-Pacific region. China is surrounded by several major powers or middle powers who are not likely to accept Chinese hegemony. India is a rising power with nuclear weapons, Japan has both economic and technological potential to be a strong military power, and Russia can check Chinese power in Central Asia. The more China tries to pursue a new hegemonic agenda in Asia, the more likely it will face backlash from the US and regional states. If China seeks to dominate Asia, China's hegemonic agenda will generate a "self-defeating" mechanism. Furthermore, if China wants to increase its influence in Asia, China should not only increase its material power, but also seek cooperation and recognition from other countries. As China pursues a more assertive policy, the US and regional countries might push back against it. In the past four years, the Trump Administration has generated some uncertainties regarding the US role in Asia. However, in a long-term, several US administrations from Bush to Biden have indicated US treaty obligations to allies in the region such as South Korea, Japan, and the Philippines. Meanwhile, the US has also been nurturing emerging strategic partnerships with nations such as Vietnam and India. China's assertiveness in regional policies has thus generated complex reactions across the region. Finally, China has ideational challenges to project an international leadership role on the global stage. The conceptual foundation to support the reemergence of a "benign Chinese hegemony" is questionable. According to Yuan-kang Wang, when China was strong, the

118) Adam Liff, "China and the US Alliance System," *The China Quarterly*, 233, 2018, pp.137–165.

constraints of any pacifist culture were limited, and China's leaders typically pursued an offensive strategy.¹¹⁹⁾ The historical narrative of a benign Chinese hegemony might be more appropriately viewed as a political myth. We should not overestimate the impact of Confucian culture on Chinese leaders' strategic decisions. Furthermore, China's current political system sets limitations for China's soft power projection. China's political system and economic development might inspire envy from autocrats and developing countries, but China's system has little admiration from ordinary citizens from Western democracies. Even within the Emerging Powers, China's political system has limited attraction. According to Joseph Nye, American soft power comes heavily from civil society and private sectors in the US, while China's state-dominated approach to soft power has significant limitations. Censorship in academic and media further hurts China's soft power in the world.¹²⁰⁾

From an ideational perspective, China is unlikely to lead a power transition from within the current order because its authoritarianism conflicts with the democratic ideology of the existing international order. China is unlikely to lead a counter-hegemonic coalition of great powers because it will be difficult to build an appealing, universal ideology consistent with the identities of other great powers.¹²¹⁾

Given China's power has both strengths and weaknesses, scholars in China and abroad have been heatedly debating China's status and role in the world.¹²²⁾ Some scholars see many problems in the West—such as the

119) Yuan-Kang Wang. *Harmony and War: Confucian culture and Chinese power politics* (New York: Columbia University Press, 2010).

120) Joseph S. Nye, "What China and Russia Don't Get about Soft Power," *Foreign Policy*, April 29, 2013: <http://www.foreignpolicy.com/articles/2013/04/29/>

121) Bentley B. Allan, Srdjan Vucetic, and Ted Hopf. "The distribution of identity and the future of international order: China's hegemonic prospects." *International Organization* 72.4 (2018): 839–869.

122) See for example Thomas Christensen, *The China challenge: shaping the choices of a rising power* (New York: W.W. Norton & Company, 2015), pp. 3–8; Pu, *Rebranding China*, 2019.

global financial crisis, Brexit, polarized domestic politics—as strategic opportunities for China.¹²³⁾ However, some other Chinese scholars worry that Beijing's policymakers might have taken steps too bold and too soon, and they see the warning signs.¹²⁴⁾ For instance, Renmin University professor Shi Yinghong has published a series of articles in recent years. In those writings, Shi suggests that China might face a problem of "strategic overdraft" or "strategic overstretch" (zhanlue touzhi 战略透支).¹²⁵⁾ For most scholars, the essence of strategic overstretch is similar to the economics of cost-benefit analysis: strategic overstretch occurs if the cost of maintaining the existing system exceeds the benefits. British historian Paul Kennedy proposes "imperial overstretch" to explain the imbalance between strategic commitments and economic base.¹²⁶⁾

Shi Yinghong defines strategic overstretch more broadly in the Chinese context as the lack of focus or mismatch between strategic goal and tactics.¹²⁷⁾ Yan Xuetong thinks that China is still a rising power, not a global power. Therefore, China's priority should focus on regional interest in Asia, not global interests.¹²⁸⁾ For scholars like Shi and Yan, China might have a

123) For a recent analysis of the Chinese perspective, see Astrid H. M. Nordin and Mikael Weissmann, 'Will Trump make China great again? The belt and road initiative and international order', *International Affairs* 94: 2, 2018, pp. 231–249. Some American scholars also think this way; see Randall Schweller, 'Opposite but compatible nationalisms: a neoclassical realist approach to the future of US–China relations', *The Chinese Journal of International Politics* 11: 1, 2018, pp. 23–48

124) Pu and Wang, "Rethinking China's Rise: Chinese Scholars Debate Strategic Overstretch,"

125) Shi uses a term of "strategic overdraft" to translate "Zhanlue touzhi 战略透支." But the meaning is almost the same as "strategic overstretch," which is a more commonly used term in the Western IR and strategic studies literature.

126) Paul Kennedy, *The Rise and Fall of the Great Powers: Economic Change and Military Conflict from 1500 to 2000* (London: Unwin Hyman, 1987).

127) Shi Yinghong, 传统中国经验与当今中国实践：战略调整、战略透支和伟大复兴问题 [Traditional Chinese Experience and Contemporary Chinese Practice: Strategic Adjustment, Strategic Overdraft, and National Rejuvenation], *Foreign Affairs Review*, no.6, 2015, p. 57–68. 41 Yan Xuetong, 外交转型、利益排序与大国崛起 [Diplomatic Transformation, Prioritizing of Interests, and the Rise of Great Powers], *Journal of Strategy and Decision-Making* no. 3, 2017, p. 4–12.

128) Michael Hechter, "Introduction: Legitimacy in the Modern World.," *American Behavioral Scientist*, Vol. 53, No. 3 (2009), p.280. Barry Buzan and Mathias Albert, "Differentiation: A Sociological Approach to Internatio

problem of strategic overstretch as they think China's national interest should be much limited.

Power, Legitimacy, and China's Roles

China's evolving roles on the world stage will not only depend on China's power potential but also depend on the Chinese sense of legitimacy in international order. In a domestic context, a government is legitimate to the extent that its rules are considered rightful by both the dominant and subordinate society members.¹²⁹⁾ In international politics, legitimacy means the recognized authority to rule in the international hierarchy.¹³⁰⁾ International legitimacy means an international agreement among major powers about the nature of workable arrangements of international order.¹³¹⁾

International legitimacy does not necessarily implies justice, but in a legitimate international order, international conflicts are limited and "even the most dissatisfied states desire only changes within the system, not a change of system."¹³²⁾

Legitimacy is a key concept to understand China's rise. First of all, legitimacy is a core issue in discussing the origin and change of international order. The critical turning points in the history of the international society can be recounted as shifts in the prevailing conceptions of international legitimacy, and the fundamental question is who has the authority to make rules of the

nal Relations Theory.," *European Journal of International Relations*, Vol. 16, No. 3 (2010), pp. 315–337.

129) Michael Hechter, "Introduction: Legitimacy in the Modern World.," *American Behavioral Scientist*, Vol. 53, No. 3 (2009), p.280.

130) Barry Buzan and Mathias Albert, "Differentiation: A Sociological Approach to International Relations Theory.," *European Journal of International Relations*, Vol. 16, No. 3 (2010), pp. 315– 337.

131) Henry Kissinger, *A world restored: Europe after Napoleon*. Grosset & Dunlap, 1957., p.1.

132) Schweller, Randall L. "Managing the rise of great powers." Johnston, Alastair Iain, and Robert S. Ross, eds. *Engaging China: The management of an emerging power* (Routledge., 1999), p.18.

game and to maintain the new world order. As Kissinger suggests, "Every international order must sooner or later face the impact of two tendencies challenging its cohesion: either a redefinition of legitimacy or a significant shift in the balance of power."¹³³⁾ Second, legitimacy is a crucial factor to evaluate China's approach to international order. China's approach toward change international order largely depends on the degree China views the existing order as being legitimate. Radical change is based on an assumption that the international order is totally illegitimate, while incremental reform assumes that the existing order is generally legitimate.

There are different opinions regarding the legitimacy of the current international order. Some elites in China think the US-led order is still mostly legitimate, and China has largely benefited from the existing order.¹³⁴⁾ Others believe the US-led order is deeply problematic and there is a need for a more fundamental change of the order.¹³⁵⁾ With the perception that US-led order is illegitimate, some scholars imagine a China-led alternative world order.

They try to rebrand the "Chinese World Order", a hierarchical order centered upon China as the "Middle Kingdom" in the context of East Asia. One must question whether this rediscovering of the "Chinese World Order" has any positive meaning for China's goals of constructing an international order that emphasizes de jure equality in the Westphalian sense.¹³⁶⁾ Much

133) Kissinger, *World Order*, p. 365.

134) Many economic officials and reformist thinkers in China still have such a view. But the Trump Administration's trade war did compel some Chinese elites to rethink about the benefits of US-led order. See Li Wei, "Towards economic decoupling? Mapping Chinese discourse on the China-US trade war." *The Chinese Journal of International Politics* 12.4 (2019), pp.519-556.

135) Zhao Tingyang, "A political world philosophy in terms of all-under-heaven (Tian-xia)." *Diogenes* 56.1 (2009), pp.5-18.

136) Suisheng Zhao, "Rethinking the Chinese world order: The imperial cycle and the rise of China." *Journal of Contemporary China* 24.96 (2015), pp. 961-982.

of the discussion on China's righteous claim to leadership from its traditional culture has been inspired by a Neo-Confucian rebranding of the notion of "All-under-Heaven (Tianxia 天下)". While "Tianxia" has generated some interest in international relations scholarly community, proponents of "Tianxia" have not yet offered any concrete policy proposals how they might change the world order.¹³⁷⁾

The interaction of two factors (power and legitimacy) has shaped the emergence of four ideal types of international order with China taking different roles (see Table 1). Assuming Chinese power is strong, China could be a co-leader or a new leader, which will depend on the Chinese perception of the existing order's legitimacy. Assuming Chinese power is weak, China could be a supporter or a shirker, which will depend on the Chinese perception of the existing order's legitimacy (see Table 1).

Considering all factors, I suggest that the most desirable and realistic goal for China is to play a co-leader role regionally and globally. Acknowledging limitations of Chinese power, this vision assumes that it is unrealistic for China to play a hegemonic role. However, China can and should still play an active role in some respects.

First, China could be a co-leader in multilateral cooperation, and the format of China's leadership could be more inclusive and flexible, including a type of facilitative leadership.¹³⁸⁾ To avoid a zero-sum competition, China should seek international status as club good instead of as a positional good. Club goods might be competitive in some respects, but it is not a zero-sum game. If China seeks to become one of several great powers, the US might potentially accommodate China's demands within the

137) Zhao Tingyang, "A political world philosophy in terms of all-under-heaven (Tian-xia)." pp. 5- 18

138) Zhimin Chen, Guorong Zhou, and Shichen Wang. "Facilitative Leadership and China's New Role in the World." *Chinese Political Science Review* 3, no. 1 (2018), pp. 10-27.

existing international order. If China seeks to replace the US as a new leader, conflict between China and the United States would be intensified. Thus, seeking co-leadership might be a reassuring message toward the outside world. Furthermore, given Chinese power is limited, it would be more realistic for China to act as a co-leader in regional and global affairs. For instance, China cannot address global challenges such as climate change without collaborating with other partners such as India and Europe instead of playing a leadership role alone.¹³⁹⁾ Together with US, South Korea, and other countries, China could continue playing an important role in dealing with North Korea's nuclear weapon program.

Second, China has potential to play a leading role in the developing world. As the largest developing country, China's rapid industrialization and economic growth sets a successful example for some developing countries. While it is debatable if China's governance system is applicable outside of China, some practical knowledge of China's industrialization could still be transferable to other developing countries.¹⁴⁰⁾ As China becomes richer, it could potentially provide more aid to other developing countries. Given China's authoritarian system, Beijing's soft-power campaign has not been very effective in most of the West, but it has achieved some relative success in the developing world. For instance, China has increased its impact and soft power in the Latin American region not just because of its expanding economic presence: "China also offered the power of its example as a country that had emerged relatively quickly from internal conflict and widespread poverty to reach middle-income status with gleaming new

139) Sengupta, Somini et al. 2017. "As Trump Exits Paris Agreement, Other Nations are Defiant," *The New York Times*. June 1, 2017, <https://www.nytimes.com/2017/06/01/world/europe/climate-paris-agreement-trump-china.html>.

140) Fudan Research Team, "Development and Industrialization in Ethiopia: Reflections from China's Experience," Fudan SIPRA Think-Tank Series, November 2017: <http://www.sirpa.fudan.edu.cn/wp-content/uploads/2018/01/Development-and-Industrialization-in-Ethiopia-Reflections-from-China%E2%80%99s-Experience.pdf>

skyscrapers, gains in science and technology, impressive transportation infrastructure, and relative domestic peace."¹⁴¹)

Conclusion

The rise of China has attracted endless source of debate and speculation. While many strategists and scholars in the West view China as a challenger, Chinese elites typically see China's role and intentions as being more defensive or even benign. In reality, the dichotomy of challenger vs. supporter does not catch the incremental and nuanced role of China on the global stage.

I suggest that China could play four possible roles in Asia and around the world in the coming decade. First, China could delegitimize US hegemony, replacing the existing order with something entirely new. In this process, China will become a new hegemonic leader. Second, China could emerge as a supporter of the existing order, working within the existing rules of the game and contribute more to international public goods. Third, China could act as a shirker, prioritizing its domestic growth while downplaying its profile and international involvement. Finally, China could be a co-leader, not eager to replace the US as a new leader but willing to share leadership and associated costs with the established powers.

China's evolving roles will largely depend on two key factors: Chinese power and China's sense of legitimacy of the existing order. With a more positive Chinese power assessment, China could become a co-leader or a new hegemonic leader. With a more reserved assessment of Chinese power, China could become a supporter of the existing order or a shirker that

141) Ted Piccone. "The Geopolitics of China's Rise in Latin America. Brookings." November 15, 2016, <https://www.brookings.edu/research/the-geopolitics-of-chinas-rise-in-latin-america/>.

prioritizes domestic growth. China's role choices will partially depend on the Chinese sense of legitimacy of the existing order as legitimate or illegitimate.

While China's rise is real, so are China's limitations in projecting its power. Chinese efforts to build a China-centric hegemonic system will generate strong reactions and backlashes. A more realistic goal for China is not to seek a new hegemonic role in Asia. Also given China's growing impacts in many parts of the world, acting as a shirker is not a sustainable option for China either. Ideally, China should seek a co-leader role regionally and globally. China's co-leading role has important implications. Regarding global challenges such as climate change, pandemics, and nonproliferation of nuclear weapons, China might be able to share some leadership with the US and other major powers. In this sense, we should not assume that China's active global role is always a challenge to the existing order. Most of China's global projects are not in conflict with the US. If China shares more responsibilities in global governance, it will not necessarily jeopardize America's national interest. Even there are some competitive elements between US and China at global level, international competitions do not mean zero-sum game, and some benign contests might generate more incentives for the two countries to provide global public goods in Africa and other regions.¹⁴²⁾

While the US and China might still have some room for cooperation in dealing with global challenges, the two countries increasingly face intense completions in the Indo- pacific region. China wants to expand its power and status in the region, and the US will not withdraw from such a strategically important area.¹⁴³⁾ US competitions with China in East Asia

142) Larry Hanauer and Lyle J. Morris, "Chinese Engagement in Africa: Drivers, Reactions, and Implications for U.S. Policy," Rand Corporation, 2014

143) Oriana Skylar Mastro. "Why Chinese assertiveness is here to stay." *The Washington Quarterly* 37.4 (2014),

will remain a key challenge in many years to come. Some strategic thinkers worry that US and China should avoid both a new cold war and a potential hot war.¹⁴⁴⁾ This has important implications for China, the US, and regional states (including South Korea). China should continue implementing reassurance regionally even it might become more powerful in the region. China should take an open regionalism approach rather than an Asian for Asia approach in regional order building. China should manage several hotspots (including the South China Sea and Taiwan) prudently. The US will remain a crucial actor in Asia, and Chinese efforts to exclude the US will generate a strong reaction and will be less likely to succeed. Meanwhile, the US must continue sending signals that it intends to remain an active role in Asia. However, the US must also reassure China that some mutual accommodation is possible between the two countries. Regional states, including South Korea might not want to choose sides between the US and China. A prudent hedging strategy for regional states is to seek a bridging role between the US and China rather than choosing sides in an intensified competitive environment. However, if the US-China competitions intensify, their strategic competitions will pose increasingly difficulty dilemmas for South Korea and North Korea.

pp.151–170.

144) Christopher Layne. "Preventing the China-US Cold War from Turning Hot." *The Chinese Journal of International Politics* 13.3 (2020), pp.343–385.

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