

EXECUTIVE SUMMARY

Defense Transformation in the Asia-Pacific Region: Meeting the Challenge

March 30-April 1, 2004

Introduction

Defense transformation has preoccupied the U.S. Defense Department for more than a decade. Just as critical, however, is how nations in the Asia-Pacific region – both U.S. allies and potential adversaries – are dealing with the demands and challenges of defense transformation. Their *conceptions* of defense transformation, along with their *intentions* and *capabilities* to implement such a transformation of their national militaries, could have a profound effect upon regional stability and security, and could particularly affect U.S. military and defense efforts in the region, for example, joint operations and interoperability with allied and friendly nations.

To examine the impact of defense transformation in the region, the Asia-Pacific Center for Security Studies held a conference titled “Defense Transformation in the Asia-Pacific Region: Meeting the Challenge,” from 30 March to 1 April 2004. The conference brought together government officials, leading academics and researchers, journalists, and business representatives concerned with defense transformation to discuss various topics in connection with the overall issue of defense transformation and in particular how it may affect militaries and security in the Asia-Pacific region. The conference consisted of three sections: the basic meaning and demands of defense transformation; special issues in defense transformation facing the Asia-Pacific region as a whole; and how individual nations in the Asia-Pacific region were dealing with the challenges of defense transformation. Thirty-three (33) delegates representing eight (8) nations (Australia, Japan, South Korea, Taiwan, Thailand, Singapore, the United Kingdom, and the United States) participated in this conference.

Among the major conclusions of this conference:

- **“Defense transformation” is an ambiguous but nevertheless bounded term.** No strong consensus during the conference as to what “defense transformation” exactly entailed. Some saw defense transformation as a process, others as an objective. Some saw it as essentially wrapped up in the concept of net-centric (or net-enabled) warfare, (NCW) – made possible by the dramatic expansion in information technologies (IT) – while others saw NCW as simply one tool in the transformation process. Most definitions of defense transformation, however, see it as largely fed by current breakthroughs in IT (and therefore in C4ISR and precision-guidance), creating new synergistic capabilities, and involving significant and fundamental change in military doctrine, organizations, and institutions. In this regard, the current US effort at transformation is perhaps the first “self-aware” revolution in military affairs (RMA) in history, in that the US

military is consciously and proactively trying to implement an RMA, instead of allowing it to emerge organically.

- **Interoperability with US forces is a key force driving much of the current thinking about defense transformation in the Asia-Pacific.** Many conference participants noted that US allies and friendly nations in the region – particularly Australia, Japan, South Korea, and Taiwan) – were particularly keen on studying and possibly implementing transformations of their respective militaries in order to remain interoperable with US forces, particularly as the likelihood of coalition operations with the United States (e.g., Iraq) was expanding. These countries were particularly concerned about a growing “capabilities gap” with US forces and how this might affect future joint operations that could directly affect their national security. In this regard, one participant noted that cooperation with the United States on missile defense could become the catalyst for defense transformation in Japan, as it could effect policy changes (e.g., expanded US-Japan collective self-defense), promote the acquisition of new C4ISR systems, and help improve Japan’s defense R&D and industrial infrastructure.
- **“Defense transformation” does not adequately describe current efforts by Asia-Pacific nations to upgrade and change their militaries.** If defense transformation entails a fundamental change in the concept, character, and conduct of warfighting, then most Asia-Pacific nations are not so much engaged in transforming, as in modernizing, their armed forces. “Modernization-plus,” therefore, emerged out of the conference as a more apt descriptor of what is currently ongoing in most Asia-Pacific militaries (and even in most European militaries). Many militaries in the region are in the process of buying many new types of military equipment, including precision-guided munitions, airborne early warning aircraft, submarines, air-to-air refueling aircraft, datalinks, and improved command and control systems. Therefore, they are certainly acquiring capabilities that they did not possess earlier, such as new capacities for force projection and standoff attack, low-observability, and greatly improved C4ISR. However, this modernization effort is, in general, evolutionary, steady-state, and incremental, and it is therefore not so much a *disruptive* as it is a *sustaining* process of innovation. In particular, “modernization-plus” does not entail much in the way of change in these countries’ military doctrine, organizations, and institutions.
- **Most countries in the Asia-Pacific region are unlikely to ever transform their militaries.** Conference participants, commenting on the problems and prospects facing individual nations (particularly Australia, China, India, Japan, South Korea, Taiwan, and Singapore) as they attempt to grapple with the demands of defense transformation, noted several factors hindering or impeding the ability of these countries to move beyond “modernization-plus.” These included cultural

and bureaucratic resistance, the lack of vision on the part of the most senior leaders, budgetary constraints and pre-existing, long-term procurement commitments, and institutional biases for legacy systems over transformational ones. Overall, transformation could simply be too disruptive and too threatening to military and civilian leaders, too expensive, and too extreme.

- **Most defense technology and industrial bases in the Asia-Pacific are ill equipped to contribute to defense transformation.** Most defense R&D and industrial bases in the Asia-Pacific region lack the systems integration skills, technological expertise, or links to advanced commercial technology sectors (particularly the IT sector) in order to develop and manufacture transformational systems, and instead tend to push legacy systems that they are capable of producing. The heavy emphasis in most of these countries on self-reliance in arms production (“domestic weapons first”) means that resources are often wasted on duplicating the development and manufacture of weapons systems already widely available on the global arms market. If countries do choose to acquire transformational systems – particularly advanced PGMs and C4ISR networks – they will likely have to buy them off-the-shelf from foreign suppliers (particularly the United States) or develop them collaboratively with foreign partners (again, particularly the United States).
- **The exploitation of dual-use technologies – particularly the strong IT industries prevalent throughout the Asia-Pacific – for defense transformation is unlikely to occur to any large degree.** While nearly all countries in the Asia-Pacific region agree as to the potential application of advanced commercial technologies to military uses – particularly when it comes to IT or space – few in fact have made a deliberate and concerted effort to engage in such “spin-on.” Most exploitation of dual-use technologies in the region has so far been serendipitous and modular, i.e., taking advantage of piggybacking on existing or emerging commercial systems (such as nationwide fiber-optic telecommunications networks), rather than adapting commercial technologies to military purposes. This does not mean that militaries do not actively support the further development of civilian technologies that can then benefit them as well. In the case of China, for example, one participant noted that the military often use its tremendous clout (financial and political) to help incubate and advance commercial dual-use technological breakthroughs.
- **Transformation may not be necessary to “get the job done.”** Despite the fact that few Asia-Pacific militaries are likely to transform themselves, a “modernization-plus” strategy may be sufficient to meet most of these countries’ defense requirements, particularly with respect to their strategic context (i.e., local threat perceptions) and available resources. These countries do not need to emulate the US model in order to derive considerable new capabilities and

benefits from their current modernization efforts – as one participant put it, an 80 percent solution may be more than adequate. In particular, when it comes to US friends and allies in the region, it may be enough for them to modernize sufficiently – especially when it comes to NCW – in order to be more interoperable with US forces and to fill an important niche in coalition operations, rather than attempt to acquire a complete set of transformational systems.

- **On the other hand, if Asia-Pacific nations – especially friends and allies of the United States – do not transform, they may be unable to enjoy the full benefits of modernization.** “Modernization-plus” could mean that these countries will miss the potential synergies of all the advanced systems they are currently acquiring – in other words, that extra 20 percent may ultimately add up to more than 100 percent in new military effectiveness. If a country does not transform, what recourse may it have against potential adversaries who *do*? In addition, US allies and friendly countries could still be greatly limited when it comes to participating in joint operations with the United States or interoperating with U.S. military forces; these countries could be relegated to a “tool box” status, therefore, playing only minor roles in any coalition operations.
- **Transformation may have unintended consequences.** Some participants noted that countries that are unable to pursue transformation might pursue offsetting asymmetric responses, such as low-intensity warfighting (i.e., insurgency and guerilla tactics) or expanding their WMD capabilities (missiles and nuclear-biological-chemical warheads). Efforts at transformation or modernization, therefore, may result in new threats.