

Managing the Goldilocks Dilemma: Missile Defense and Strategic Stability in Northeast Asia

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Abstract

The Obama administration's major changes to missile defense restructure the program to focus upon regional and theater missile threats. This recalibration is also consistent with the U.S. position that missile defense is not intended to undermine the ability of Russia or China to deter threats to their respective homelands or vital interests. Yet the increased regional capabilities provided by the new system have significant consequences for Northeast Asia that will create apprehension in Beijing. The mobile and movable theater missile defense assets prioritized by the administration could play a substantial role in regional contingency scenarios involving China. To reduce the degree to which the missile defense in Northeast Asia undermines strategic stability between the United States and China, the countries should commit to high-level strategic dialogues that can help foster confidence in the relationship.

Introduction

Within the first year of taking office, the Obama administration made a series of major changes to U.S. ballistic missile defense (BMD) policy. Most notably, the Department of Defense's Fiscal Year 2010 (FY10) budget request summary justification, the September 2009 revision to missile defense plans in Eastern Europe, and the 2010 Ballistic Missile Defense Review (BMDR) all contain a common theme: strong support for currently operational missile defense assets that can be quickly deployed to deal with regional missile threats. After using the budget to

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initiate changes in this direction, the announcement of the European “Phased Adaptive Approach” in September 2009 was followed by the BMDR’s decision to create a missile defense architecture within each region “tailored to the threats and circumstances unique to that region.”² As the administration shifts to a mobile, predominately sea-based missile defense system, there are important implications for the regional missile defense architecture in Northeast Asia. In this complex and turbulent region, U.S. missile defense provides a valuable capability for the United States and its allies. At the same time, China has long been opposed to the impact that U.S. missile defense could have, both regionally and globally. Therefore, it is important to assess the ways in which U.S. missile defense plans, particularly in light of the changes of the past year, could alter the U.S.-China strategic relationship.

The Obama Administration’s Missile Defense Plans

Three major developments since President Obama’s inauguration have reshaped the course of U.S. missile defense: the FY10 budget request summary justification, the September 2009 revision to missile defense plans in Eastern Europe, and the 2010 Ballistic Missile Defense Review (BMDR). In May 2009, the FY10 Department of Defense budget request summary justification made significant programmatic changes, foreshadowing bigger changes to come.³ According to Secretary of Defense Robert Gates, the budget sought to “restructure the program to focus on the rogue state and theater missile threat” by increasing funding for the Terminal High Altitude Area Defense (THAAD) program and the Standard Missile 3 (SM-3) capability currently deployed on Aegis BMD-capable cruisers and destroyers.⁴ In conjunction with these increases, the administration moved away from many boost-phase intercept (BPI) capabilities that are not yet technologically mature. The administration chose to cut the Kinetic Energy Interceptor (KEI), which Secretary Gates said provided “very limited capability” “at considerable cost,”⁵ and the

² In the 2010 Ballistic Missile Defense Review, the European “Phased Adaptive Approach” was used as a proper noun whereas the term “phased adaptive approach” as it applied to other regions was not.

³ United States Department of Defense Comptroller, *Fiscal Year 2010 Budget Request Summary Justification* (Washington, DC: Office of the Secretary of Defense, May 2009) http://comptroller.defense.gov/defbudget/fy2010/fy2010_SSJ.pdf.

⁴ Robert Gates, “Defense Budget Recommendation Statement” (speech, Department of Defense, Arlington, VA, April 6, 2009) <http://www.defense.gov/speeches/speech.aspx?speechid=1341>.

⁵ The Department of Defense Fiscal Year 2010 Budget. Senate Appropriations Defense Subcommittee, HV-210 Capitol Visitors Center, May 20, 2009.

Multiple Kill Vehicle (MKV) program which continued to have significant technical challenges.⁶ The Air-Borne Laser (ABL) program was also substantially scaled back due to concerns about operational viability (although the first prototype was kept for research and development). Taken together, these decisions began the administration's effort to shift towards missile defense capabilities that are *currently* operationally deployable and capable of countering regional missile threats.

Consistent with the FY10 budget request, the administration also revamped missile defense plans for Eastern Europe in September 2009. Originally, the plan included 10 Ground-Based Interceptors (GBI) located in Poland, an X-Band radar in the Czech Republic, and another radar placed in Southeastern Europe. The new plan, termed the European "Phased Adaptive Approach" (PAA), replaced the GBI's previously planned for Eastern Europe with the SM-3 missile currently deployed on Aegis-capable ships. The European PAA envisions a series of four evolutions of the SM-3 missile over the next decade: Block IA (2011), Block IB (2015), Block IIA (2018), and Block IIB (2020). Each stage will unveil a more advanced version of the missile, with notable improvements including land-based capabilities set to come in the Block IB and some boost-phase intercept capabilities in the Block IIB.⁷ The primary two reasons for the switch identified by Secretary Gates were changes in 2006 intelligence estimates on the Iranian missile threat and the "great strides" that have been made in our ability to counter short- and medium-range missiles.⁸ The European PAA aligned with the budget priorities set out by the administration the previous May.

The last major development is the Ballistic Missile Defense Review (BMDR) that was released in February 2010. The first review of its kind, the BMDR provided a comprehensive evaluation of U.S. missile defense policies, strategies, plans, and programs. It established six priorities based on Presidential guidance: defending the homeland against a limited ballistic missile attack, defending the U.S and allies against regional missile threats, ensuring realistic testing conditions, commitment to

⁶ "Gates Unveils Overhaul of Weapons Priorities," *The Wall Street Journal*, April 6, 2009, http://online.wsj.com/article/SB123904207376593845.html?mod=googlenews_wsj.

⁷ White House Office of the Press Secretary, "FACT SHEET U.S. Missile Defense Policy A Phased, Adaptive Approach for Missile Defense in Europe," September 17, 2009, http://www.whitehouse.gov/the_press_office/FACT-SHEET-US-Missile-Defense-Policy-A-Phased-Adaptive-Approach-for-Missile-Defense-in-Europe/.

⁸ "DoD News Briefing with Secretary Gates and Gen. Cartwright from the Pentagon," September 17, 2009, <http://www.defense.gov/Transcripts/Transcript.aspx?TranscriptID=4479>.

fiscal sustainability, creating capabilities that are flexible enough to adapt over time, and expansion of international efforts for missile defense.⁹ The programmatic decisions in the budget and the phased adaptive approach adopted by the administration reflected many of these priorities, particularly the focus on regional missile threats and international cooperation. Specifically, the BMDR decision to “pursue regional phased adaptive approaches” in other regions beyond Europe was “one of the most significant changes resulting from the review.”¹⁰

The Goldilocks Dilemma

The Obama administration’s emphasis upon regional missile defense needs to be contextualized in the broader debate about the purpose of missile defense. Back in 1983, President Reagan advanced a grandiose vision of missile defense that called on scientists to, “give us the means of rendering these nuclear weapons impotent and obsolete.”¹¹ In the Post-Cold War world, however, such a missile defense, which faces enormous technical and financial obstacles, may be counterproductive. North Korea’s entrance into the nuclear club and Iran’s perceived pursuit down that path have heightened concern about regional threats that continue to develop long-range missile capabilities and may be less susceptible to traditional nuclear deterrence. At the same time, a large-scale missile defense capable of stopping Russia and China would be problematic by threatening their strategic deterrents at a time of relative peace among major powers. Recognizing this dilemma, the Congressional Commission on the Strategic Posture of the United States provided the following recommendation on missile defense:

The United States should develop and, where appropriate, deploy missile defenses against regional nuclear aggressors, including against limited long-range threats . . . The United States should ensure that its actions do not lead

⁹ Robert Gates, *Ballistic Missile Defense Review Report*, (Washington, DC: Office of the Secretary of Defense, February 2010)
http://www.defense.gov/bmdr/docs/BMDR%20as%20of%2026JAN10%200630_for%20web.pdf.

¹⁰ Ibid.

¹¹ Ronald Reagan, “Address to the Nation on National Security” (speech, Washington, DC, March 23, 1983) <http://www.fas.org/spp/starwars/offdocs/rrspch.htm>.

Russia or China to take actions that increase the threat to the United States and its allies and friends.¹²

These dual objectives for missile defense are not mutually exclusive but the attempt to balance these competing priorities requires an analysis of the ways in which Russia or China would “increase the threat” in response to missile defense. The Russians and Chinese will respond to missile defense; to do otherwise would be imprudent. But the question is *how*, not if, they choose to respond. Teasing out this “Goldilocks dilemma,” creating a missile defense architecture that is sufficient to address regional threats while tempering the response from Russia and China, requires a thorough analysis of the ways in these countries might respond to particular missile defense capabilities.

As the United States seeks to strike this balance, addressing China will be particularly tough. In his nongovernmental capacity, Brad Roberts observed that, “The nuclear future of the globe is more likely to be written by what happens in Asia and the transpacific dimension than by what happens in Europe and the transatlantic dimension.”¹³ In a small region fraught with historical and cultural tension, there is an unpredictable dictatorship with nuclear weapons, a nuclear power quickly improving its military capabilities, and a number of powerful yet non-nuclear countries allied with the United States. While not “nuclear,” missile defense will play a significant role in the nuclear future of Northeast Asia, both in terms the U.S.-China strategic relationship and the decision by U.S. allies whether to remain without nuclear weapons. Missile defense provides a capability for the United States and its regional allies against North Korean provocations. Yet it is also a capability that can be highly relevant against China, which possesses a much significantly smaller nuclear arsenal than Russia. As the United States navigates missile defense deployment and cooperation efforts in Northeast Asia, analyzing the impact of missile defense on strategic stability between the United States and China is crucial.

¹² William J. Perry, James R. Schlesinger, et al., *America's Strategic Posture: The Final Report of the Congressional Commission on the Strategic Posture of the United States* (Washington, DC: United States Institute of Peace Press, 2009).

¹³ George Perkovich, Linton Brooks, Morton Halperin, Brad Roberts, and Achilles Zaluvar, “The Nuclear Order – Build or Break,” (panel, Carnegie International Nonproliferation Conference, Washington, DC, April 6, 2009) http://www.carnegieendowment.org/files/npc_build_or_break4.pdf.

Strategic Stability, Missile Defense, and China

When assessing the ramifications of U.S. missile defense, it is important to first define strategic stability in the context of the U.S-China strategic relationship. During the bipolar superpower competition of the Cold War, *strategic stability* was developed as a concept to describe a desired degree of predictability in the adversarial superpower relationship between the United States and the Soviet Union. Strategic stability was determined by two factors: arms race stability and crisis stability. As explained by a 1985 National Academy of Sciences report:

The objective of stability can be divided into two separate, and sometimes conflicting, concepts, “arms race stability” and “crisis stability.” Arms race stability is achieved by stopping or moderating the competition in nuclear arms ... Crisis stability, on the other hand, is achieved by eliminating the incentive for either side to launch a preemptive counterforce attack in an effort to obtain military advantage by significantly blunting the other side’s capacity to retaliate. The danger of such a counterforce attack would clearly be greatest at the time of a major political crisis or military confrontation.¹⁴

Within this construct, missile defenses were often considered highly destabilizing. By providing the side with defenses a comparative advantage, missile defense can undermine arms race stability by prompting the defenseless side to build more weapons to overcome the defense. Furthermore, missile defense can undermine crisis stability by providing the side with defenses an incentive to strike first and then use the defense to absorb missiles launched in a second-strike. These concerns helped prompt the 1972 Anti-Ballistic Missile (ABM) Treaty, long hailed as the “cornerstone of strategic stability,” which permitted only two limited defense systems for the United States and the Soviet Union.¹⁵

The Cold War definition of strategic stability, however, cannot adequately explain the strategic relationship between the United States and China today. During the Cold War, strategic stability governed the relationship between the two rival

¹⁴ Committee on International Security and Arms Control, National Academy of Sciences, *Nuclear Arms Control: Background and Issues* (Washington, DC: National Academy Press, 1985): 4-5.

¹⁵ Yuriy Kapralov, “Effects of National Missile Defense on Arms Control and Strategic Stability,” (paper presented at the forum “The Missile Threat and Plans for Ballistic Missile Defenses: Impact on Global Security,” Rome, Italy, January 18-19, 2001) <http://www.armscontrol.ru/Start/publications/kapralov020601.htm>.

superpowers whose reach extended around the globe through alliance structures and informal backings. In the 21st century, the Cold War concept of strategic stability “cannot be applied directly to the framework of China-U.S. relations” because the United States is “supremely dominant,” according to influential Chinese scholars.¹⁶ In the asymmetric relationship between the United States and China, strategic stability needs to be redefined. Michael May argues that strategic stability is defined as the ability to deal with problems that will arise in the relationship over time:

Stability in a relationship means not that the relationship is static, which it cannot be; but that when faced with change and the accidents of history, it tends to return to peace rather than degenerate into war. Stability is measured by the ability to deal with change and disorder without catastrophe. . . The strategic stability of the U.S.-China relationship is measured by the ability to deal with problems in North Korea, Taiwan and elsewhere. Such stability has depended historically on . . . The relative status of forces; Geography; Alliances and other relationships; Domestic perceptions of the relationship; and Economic relationships, or lack thereof.¹⁷

Meanwhile, Robert Pfaltzgraff Jr. argues that a stable strategic relationship is when, “both sides gain knowledge about each other’s strategy such that they gain increased confidence that neither will dramatically alter the relationship, or at the very least one of the parties will have sufficient advance warning to be able to take corrective action.”¹⁸ In both definitions, predictability based on relative confidence of intent is vital.

China is frank in its views on the impact BMD has upon strategic stability. The 2008 Chinese National Defense White Paper declared missile defense “will be detrimental to strategic balance and stability” and that “China pays close attention to

¹⁶ Li Bin and Nie Hongyi, “An Investigation of China-U.S. Strategic Stability,” *World Economics & Politics* No. 2 (2008): 13-19.

¹⁷ Michael May, “The U.S.-China Strategic Relationship,” *Strategic Insights* IV, no. 9 (September 2005).

<http://www.nps.edu/Academics/centers/ccc/publications/OnlineJournal/2005/Sep/maySep05.html>.

¹⁸ Robert Pfaltzgraff, Jr., Prepared Remarks “China–U.S. Strategic Stability” (panel on “U.S.-China Strategic Stability,” Carnegie International Nonproliferation Conference, Washington, DC, April 6, 2009) http://www.carnegieendowment.org/files/2009npc_prepared_pfaltzgraff.pdf.

this issue.”¹⁹ For China, the idea that missile defense is not focused at them rings hollow because, according to Chinese nuclear scholar Hui Zhang, it is “inconceivable that Washington would expend such massive resources on a system that would be purely defensive and aimed only at “rogue” states.”²⁰ Chinese objections to missile defense are three fold. First, missile defense can undermine the second-strike capability of Chinese ICBM’s vis-à-vis the United States. Second, U.S. missile defense assets geared towards regional threats have important implications for possible contingencies in Northeast Asia involving China. Third, U.S. missile defense cooperation with allies in Northeast Asia enhances the military capabilities of those allies. Each of these has important implications for strategic stability between the United States and China that should be evaluated in the context of the new missile defense system.

Missile Defense and China’s Second-Strike Capability

For the United States, the first priority of missile defense listed in the BMDR is to “defend the homeland against the threat of limited ballistic missile attack.”²¹ While countries like Iran and North Korea, for example, do not yet have missile capable of reaching the United States, they continue to develop them. A recent Department of Defense report found that Iran could develop and test an ICBM capable of reaching the United States by 2015.²² Meanwhile, North Korea tested a Taepo Dong 2 missile in 2009 that some scientists deemed a “significance advance” in North Korea’s ability to carry a warhead of 1,000 kilograms or more at least 7,000-7,500 and possibly as far as 10,000-10,500 kilometers.²³ Such a warhead could Alaska and Hawaii and possibility the West Coast.²⁴ North Korea also has an intermediate

¹⁹ Information Office of China's State Council, *China's National Defense in 2008* (Beijing: Information Office of the State Council of the People's Republic of China, January 2009) http://www.gov.cn/english/official/2009-01/20/content_1210227.htm.

²⁰ Hui Zhang, “China’s Perspective on a Nuclear-Free World,” *The Washington Quarterly* 33, no. 2 (2010): 139-155.

²¹ Robert Gates, *Ballistic Missile Defense Review Report*.

²² Phil Stewart and Adam Entous, “Iranian Missile may be able to hit U.S. by 2015,” *Reuters*, April 19, 2010, <http://www.reuters.com/article/idUSTRE63J04H20100420>.

²³ Larry Niksch, *North Korea’s Nuclear Weapons Development and Diplomacy*, CRS Issue Brief for Congress, (Washington, DC: Congressional Research Service, January 5, 2010) <http://www.fas.org/sgp/crs/nuke/RL33590.pdf>.

²⁴ Ibid.

ballistic missile with a range of 1,500 – 2,400 miles.²⁵ As countries like Iran and North Korea continue development on long-range delivery systems, the United States' ability to defend the homeland against limited ballistic missile attacks will remain critical.

While “regional threats” like Iran and North Korea are cited by the United States as the justification for long-range missile defense, the Chinese continue to remain very concerned about the system. Both the Bush and Obama administrations stated publicly that missile defense is not meant to deal with China. Similarly, the BMDR tried to make clear that China's “capability to conduct a large-scale ballistic missile attack on the territory of the United States” is “not the focus of U.S. BMD.” Such reassurances, however, have done little to allay Chinese fears that missile defense could undermine their second-strike capability. China continues to deploy a relatively small nuclear force in comparison to the United States and Russia. Therefore, United States efforts to pursue missile defenses against ICBM threats can sow significant doubts in China's mind about the effectiveness of their second-strike capability. According to Hui Zhang:

China continues to modernize its nuclear force in order to maintain, and only to maintain, a reliable second-strike retaliatory capability. Its actions are driven mainly by U.S. advances in precision-strike weaponry and missile defenses. China's nuclear modernization has aimed more at improving quality than quantity. The current effort focuses mainly on enhancing the survivability of its strategic nuclear force through greater mobility, including deploying solid-fuel and road-mobile intercontinental ballistic missiles (ICBMs) and a new generation of ballistic missile submarines. By contrast, the size of the force has grown quite modestly. *China's plans could change significantly, however, were the United States to deploy a more comprehensive or more operationally successful missile defense.*²⁶ [emphasis added]

A significant change in China's plans could lead them to undertake a number of qualitative and quantitative modernization efforts to ensure the reliability of their second-strike. Some examples include building more ICBM's, MIRVing warheads to decrease interception probability, increasing deployment of mobile ICBM's which

²⁵ Ibid.

²⁶ Hui Zhang, “China's Perspective on a Nuclear-Free World.”

provide faster launch times that complicate radar detection and tracking, and investment in countermeasures to overwhelm the system.²⁷ These efforts could also be complimented by changes in doctrine, such as backsliding on China's longstanding No First Use Doctrine, or diplomatic backlash by increasing unwillingness to join international nonproliferation efforts like the Fissile Material Cutoff Treaty and the Comprehensive Test Ban Treaty.²⁸ These responses are not mutually exclusive and will be considered based on China's perception of the degree to which missile defense can undermine their second-strike capability.

Missile defense changes made by the Obama administration should come as welcome news to the reliability of Chinese second-strike capability. Initially, the Bush administration had planned to have 44 Ground-Based Interceptors operationally deployed in Alaska and California but that number has been reduced to 30 (though the 14 silos will remain without interceptors deployed in them). Meanwhile, China has approximately 40 missiles capable of reaching the United States and outlying islands, according to the Department of Defense's (DoD) Military Power of the People's Republic of China 2009 report (herein after the DoD Military Power Report).²⁹ These missiles include the solid-fuel, road-mobile DF-31 and DF-31A, as well as the JL-2 missile – slated to be part of a sea-based deterrent.³⁰ Under the current concept of operation (CONOP), the United States is able to take out 15 of China's 40 missiles. Vice Chairman James Cartwright explained in Congressional Testimony that the current CONOP of “shoot, look, shoot” means that the 30 deployed interceptors could handle a salvo of 15 simultaneous ballistic missiles, though that policy is subject to technical disagreements.³¹ In this scenario, China would still have approximately 25 missiles capable of reaching the United States and outlying islands beyond what the missile defense would be able to absorb. Numerically speaking, this provides the Chinese with some confidence in the second-strike capabilities of their arsenal. However, concerns will likely remain. U.S. missile defenses could provide an unacceptable form of damage limitation

²⁷ Arthur S. Ding, “Sino-U.S. Competition in Strategic Arms,” RSIS Working Papers No. 157 (Singapore: S. Rajaratnam School of International Studies, April 24, 2008)
<http://www.rsis.edu.sg/publications/WorkingPapers/WP157.pdf>

²⁸ Ibid.

²⁹ Office of the Secretary of Defense, *Military Power of the People's Republic of China 2009* (Washington, DC: Office of the Secretary of Defense, 2009)
http://www.defense.gov/pubs/pdfs/China_Military_Power_Report_2009.pdf.

³⁰ Ibid.

³¹ United States Senate Armed Services Committee, Missile Defense Hearing, 111th Cong., 1st sess., June 16, 2009.

against China's second-strike capability, or they may entirely eclipse China's capability to threaten U.S. assets should the system grow substantially in the future. For the time being, current Chinese modernization efforts will continue but could expand significantly should China view the circumstances to change.

Missile Defense and Regional Capabilities in Northeast Asia

While the Obama administration has reduced the number of operational interceptors to defend the U.S. from intercontinental ballistic missile attacks, the new system has importance implications *within* Northeast Asia. In addition to Chinese concerns about missile defense undermining their second-strike capability, the Ministry of Foreign Affairs also made clear that regional missile defense systems threaten strategic stability:

China believes that the establishment of a global missile-defense system, including the deployment of the system in some parts of the world and related cooperation, is not in the interest of maintaining strategic balance and stability. It is neither conducive to global arms control and non-proliferation efforts nor favorable to mutual trust among states and regional stability.³²

China has long been concerned about the theater component of U.S. missile defense. According to the DoD Military Power Report, Chinese military doctrine is guided by the principle of preparing for “local wars under conditions of informatization” whereby China seeks to develop an Army, “capable of fighting and winning short-duration, high-intensity conflicts along its periphery against high-tech adversaries.”³³ Under this doctrine, U.S. missile defense assets are a notable high-tech capability that could very well be relevant to such a conflict scenario.

When assessing possible contingences in Northeast Asia involving China, Taiwan is the major regional flashpoint. According the Congressional Commission on the Strategic Posture of the United States, Taiwan is “the primary potential military flashpoint” by which a conflict between China and the United States might

³² Ministry of Foreign Affairs of the People's Republic of China, “Missile Defense,” August 2009, <http://www.fmprc.gov.cn/eng/wjb/zzjg/jks/kjlc/wkdd/t410755.htm>.

³³ Office of the Secretary of Defense, *Military Power of the People's Republic of China* 2009.

escalate.³⁴ The 2009 DoD Military Power report also found that “potential military confrontation with Taiwan and the prospect of U.S. military intervention remain the PLA’s most immediate military concern.”³⁵ Meanwhile, the United States remains concerned about the growing imbalance across the Taiwan Strait, which the BMDR noted was “one regional trend that particularly concerns the United States.”³⁶

The changes to U.S. missile defense have important consequences for potential contingency scenarios in Northeast Asia, namely Taiwan. The Aegis ships that carry the SM-3 missile can circumnavigate the world’s oceans while THAAD batteries represent a capability that can be transported by land, sea, or air.³⁷ In their opening statement before the House Armed Services Committee in September 2009, Vice Chairman James Cartwright and Undersecretary of Defense for Policy Michèle Flournoy emphasized that the “the new approach provides future flexibility to reposition interceptors and sensors if the geopolitical environment changes.”³⁸ While the most probable scenarios for such an asset surge in Northeast Asia likely stem from provocations by North Korea, these capabilities could also be used in a number of regional contingencies involving China. For example, press leaks during the Bush administration about OPLAN 5077, the plan to defend Taiwan in a crisis, showed heavy reliance on ballistic missile defense, particularly sea-based assets.³⁹ As the Obama administration increases emphasis on sea-based missile defense, the global mobility benefits provided by the regional systems could further exacerbate Chinese concern about regional missile defense.

In addition to the mobility benefits of the new system, the administration also decided that it will also use the European Phased Adaptive Approach as a model for creating tailored missile defense architectures in other regions. According to the BMDR, “One of the most significant changes resulting from the review has been the decision to pursue regional phased adaptive approaches that are tailored to the threats

³⁴ William J. Perry, James R. Schlesinger, et al., *America’s Strategic Posture*.

³⁵ Office of the Secretary of Defense, *Military Power of the People’s Republic of China 2009*.

³⁶ Robert Gates, *Ballistic Missile Defense Review Report*.

³⁷ “1st Battalion, 6th Air Defense Artillery (THAAD)” *GlobalSecurity.org*, <http://www.globalsecurity.org/military/agency/army/1-6ada.htm>.

³⁸ James Cartwright and Michèle Flournoy, “Opening Statement of VCJCS and USDP,” Statement before the House Armed Services Committee Hearing on European Missile Defense, 111th Cong., 1st sess., October 1, 2009, http://armedservices.house.gov/pdfs/FC100109/Cartwright_Flournoy_Testimony100109.pdf.

³⁹ UPI, “Ballistic Missile Defense Key To Defending Taiwan” *SpaceWar.com*, June 12, 2006, http://www.spacewar.com/reports/Ballistic_Missile_Defense_Key_To_Defending_Taiwan.html.

facing each region, the capabilities available, and the technologies best suited for deployment.”⁴⁰ While the BMDR institutionalized creating regional missile defense architectures around the globe, it did little to clarify what a phased adaptive approach will look like in Northeast Asia as compared to other regions. Yet the Review did make clear that China’s regional missile capabilities will be taken into consideration. Unlike the BMDR’s statement that GBIs located in the United States are not focused on China, it declared that, “it is important that China understand that the United States will work to ensure protection of our forces, allies, and partners in East Asia against *all* regional ballistic missile threats”⁴¹ (emphasis added). Chinese concern about the regional capabilities provided by the new missile defense system could prompt significant responses that should be further analyzed. For example, it could further incentivize Chinese focus on anti-access and area denial capabilities to try to prevent redeployment of Aegis ships to Northeast Asia in a contingency scenario. Moreover, China could increase the buildup of short and medium range missiles, significantly less expensive than building more nuclear ICBM’s, to overwhelm the system. The United States needs to be mindful of the implications regional missile defense assets can have on China as it begins development of a regional security architecture for Northeast Asia.

Missile Defense Cooperation in Northeast Asia

The last major Chinese concern about missile defense is the cooperation between the United States and key allies in Northeast Asia, principally Japan, South Korea, and Taiwan. In June 2007, General Zhang Qinsheng brushed off an offer from Secretary of Defense Robert Gates to cooperate on missile defense by expressing concern about missile defense cooperation in the region. He warned, “If Japan and the United States extend the missile defense system to ‘cover’ Taiwan, the People’s Republic of China will oppose such a move very strongly.”⁴² Yet missile defense cooperation is a top priority for the BMDR and remains an integral part of U.S. alliance relationships in the region. In addition to military defense against ballistic missiles, BMD also serves as an important symbol of U.S. commitment to allies in the region. For these

⁴⁰ Robert Gates, *Ballistic Missile Defense Review Report*.

⁴¹ Ibid.

⁴² “June 6th - - Pravda - China to oppose U.S. missile defense shield plans in Asia,” *The International Institute for Strategic Studies*, <http://iiss.demo.eibs.co.uk/whats-new/iiss-in-the-press/press-coverage-2007/june-2007/china-to-oppose-us-missile-defense-shield>.

allies, missile defense provides a capability relevant to regional missile threats from North Korea and possibly China, though each country has unique circumstances. Evaluating the current missile defense capabilities and strategic outlook of U.S. allies in the region can help reveal the degree to which China may feel threatened by missile defense cooperation efforts.

Within Northeast Asia, Japan has long been the most ardent supporter of missile defense cooperation. Hailed by the BMDR as “one of our most significant international BMD partners,” Japan and the United States share a long history of cooperation on missile defense.^{43 44} Currently, Japan has 3 BMD-capable KONGO Class destroyers and plans to add a fourth.⁴⁵ It will also 16 PAC-3 fire units in place by 2011.⁴⁶ U.S. and Japanese missile defense capabilities also share a high degree of interoperability. For example, the Japanese have invested \$1 billion in the joint development of SM-3 Block IIA missile, now at the heart of the U.S. missile defense policy. For Japan, missile defense provides two important defense objectives. First, it provides a capability by which to counter the ballistic missile threat from North Korea. As recently as 2009, North Korea launched a Taepo Dong 2 missile that flew over Japanese territory before falling into the Pacific Ocean.⁴⁷ According to the Congressional Research Service, North Korea has 200-300 intermediate-range Nodong missiles capable of reaching most of Japan in minutes.⁴⁸ Second, Japanese missile defense assets could also play a valuable role in a future conflict scenario with China, even if that currently seems improbable. From China’s perspective, concern about Japanese missile defense is not just about a possible military conflict between the two countries, who share a great deal of historical animosity, but also the prospect that Japanese assets could be brought to bear in other regional contingencies in Northeast Asia. For example, some argue that “Japan would not be able to stand on the sidelines” in a Taiwan conflict where Japanese missile defense assets could play a critical function.⁴⁹ While the new DPJ leadership in Japan has

⁴³ Masako Toki, “Missile defense in Japan,” *Bulletin of the Atomic Scientists*, January 16, 2009, <http://www.thebulletin.org/web-edition/features/missile-defense-japan>.

⁴⁴ Robert Gates, *Ballistic Missile Defense Review Report*.

⁴⁵ Ibid.

⁴⁶ Ibid.

⁴⁷ “North Korea Fires Missile over Japan,” *Voice of America News*, April 5, 2009, <http://www1.voanews.com/english/news/a-13-2009-04-05-voa2-68733937.html>.

⁴⁸ Larry Nicksch, *North Korea’s Nuclear Weapons Development and Diplomacy*.

⁴⁹ Shaohua Hu, “Japan and the Cross-Taiwan Strait conflict,” *Journal of Chinese Political Science* 11, no. 2 (September 2006): 83-103.

been less enthusiastic about missile defense than its predecessor,⁵⁰ missile defense is likely to continue playing a prominent role in Japanese security due to the serious investment that has already been made.

Another important U.S. ally in the region, South Korea, has only begun to cooperate on missile defense in the past few years. Long skeptical of its value, particularly given the backlash it would provoke from China, South Korea has been much more reticent than Japan to embrace missile defense. Recently, however, continued North Korean provocations, including a second nuclear test in 2009, have prompted South Korea to take further defensive measures. Currently, South Korea has 2 Aegis-capable King Sejong class ships, with 2 more planned by 2012, and also plans to purchase 48 PAC-3's that will be operational in 2010.⁵¹ The BMDR also suggests South Korea is interested in land- and sea-based systems, early warning radars, and a command and control system.⁵² In addition, South Korea has also warmed up publicly to the idea of discussing a regional missile defense architecture.⁵³ For South Korea, missile defense is primarily a response to the bellicose behavior of North Korea. Even so, South Korea was slow to support missile defense because it has limited applicability against the threat from North Korea. Defending Seoul, located only 112 miles from Pyongyang, would have to rely upon extremely short-range missile defense systems to counter the 600 Scud missiles North Korea has positioned within range of South Korea.⁵⁴ The larger problem for South Korea is less the ballistic missile threat from North Korea but rather the massive size of the North Korean army. As "fellow countrymen," South Korea also emphasizes peaceful integration of the Peninsula. With regards to China, South Korea has benefitted from a less hostile relationship between the two countries over the past couple of decades. Following the 1992 normalization of relations, South Korea and China have focused on economic interaction, which has reduced the need for military competition between the countries. In a contingency scenario, South Korea and China share the same land mass which means that missile defenses would

⁵⁰ Sachiko Sakamaki and Takashi Hirokawa. "Japan Should Cut 'Useless' Missile Defense, DPJ Official Says," *Bloomberg*, September 11, 2009,

<http://www.bloomberg.com/apps/news?pid=20601101&sid=aruidIvvQ2bc>.

⁵¹ Agence France-Presse, "South Korea to Complete Missile Defense by 2012," *Defense News*, February 15, 2009, <http://www.defensenews.com/story.php?i=3949088>.

⁵² Robert Gates, *Ballistic Missile Defense Review Report*.

⁵³ "Seoul open to talks on missile defense with U.S.," *The Korea Herald*, February 18, 2010, http://www.koreaherald.co.kr/NEWKHSITE/data/html_dir/2010/02/18/201002180059.asp.

⁵⁴ Larry Nicksch, *North Korea's Nuclear Weapons Development and Diplomacy*.

have limited ability countering China's significant conventional land military power.⁵⁵ Overall, South Korea's enthusiasm for missile defense is significantly more restrained than Japan's, but nonetheless present, largely due to North Korean provocations.

While Japanese and South Korean missile defenses are currently geared heavily towards the ballistic missile threat from North Korea as opposed to a hypothetical conflict with China, the opposite is true for Taiwan. For Taiwan, the People's Republic of China is a much more immediate threat than the one posed by North Korea. The 2009 Taiwanese Quadrennial Defense Review (QDR) stated clearly that, "the greatest threat to the ROC's air defense is the PRC's tactical ballistic missiles deployed on its side of the Taiwan Strait" and that the Armed Forces are building ballistic missile defense in response.⁵⁶ In 2008, the United States agreed to an arms package with Taiwan that would include the sale of 330 PAC-3 missiles. However, delivery of all systems has taken time to finalize. In January 2010, another arms package to Taiwan included 114 of the PAC-3s that were part of the original commitment.^{57 58} Despite these sales, recent analysis finds that Taiwan still would not be able "to blunt the barrage of short range ballistic missiles China has aimed at the island."⁵⁹ According to the DoD Military Power report, China now has 1050-1150 missiles across the Taiwan Strait, outnumbering the full 330 PAC-3s by more than three to one, despite a reduction in tensions since the election of Ma Ying-jeou. The report also documents Chinese capabilities that include conventional medium-range ballistic missile systems (such as the anti-ship ballistic missile) and at least two land attack cruise missile variants capable of ground or air launch.⁶⁰ While Taiwanese missile defense assets are insufficient to deal with the missile threat posed

⁵⁵ Martin Sieff (UPI), "South Korea Takes Different Path To Japan For Missile Defense," *SpaceWar.com*, December 28, 2006, http://www.spacewar.com/reports/South_Korea_Takes_Different_Path_To_Japan_For_Missile_Defense_999.html.

⁵⁶ Ministry of National Defense of the Republic of China, *Quadrennial Defense Review 2009* (Taipei: Ministry of National Defense R.O.C., 2009) <http://www.mnd.gov.tw/QDR/file/ec4.pdf>.

⁵⁷ Bettina H. Chavanne, "U.S. To Sell Taiwan \$6B-Plus In Equipment," *Aviation Week*, February 1, 2010, http://www.aviationweek.com/aw/generic/story_generic.jsp?channel=aerospacedaily&id=news/asd/2010/02/01/11.xml.

⁵⁸ "U.S. Missile Defense Deal With Taiwan OK'd," *Global Security Newswire*, January 7, 2010, http://gsn.nti.org/gsn/nw_20100107_8249.php.

⁵⁹ William Lowther, "Taiwan's missile defense set for upgrade," *Taipei Times*, September 3, 2009, <http://www.taipeitimes.com/News/front/archives/2009/09/03/2003452657>.

⁶⁰ Ibid.

by China, they could raise the price of an invasion. For example, Taiwanese BMD assets could help shoot down Chinese ballistic missiles necessary to suppress Taiwanese air defenses and create the air superiority essential for an invasion.⁶¹ Missile defense also provides a form physical reassurance to the public in Taiwan while signifying a strong degree of cooperation with the United States. While the military balance in the Taiwan Strait currently favors China by a noticeable margin, missile defense could be an important capability that will help determine the trend of the balance in the future.

Conclusion and Policy Implications

For the United States, missile defense in Northeast Asia is a complicated endeavor. The most immediate concern is protection of the United States, forward deployed forces, and allies in the region from the threat of North Korean ballistic missile attacks. At the same time, the capabilities required to perform this mission concern China because of their potential to undermine its second-strike capability and provide the U.S. and its allies with meaningful military capabilities in the region. To address these competing objectives, the United States needs to find ways to mitigate the possibility that China could choose to take more radical steps to respond to the new missile defense system while also maintaining alliance commitments. While Chinese fears about missile defense cannot be completely dispelled, it may be possible to assuage them.

Initially, the United States should engage in strategic dialogues with China about the purpose, scope, and role of missile defense. The Chinese still remain concerned about the impact that such a missile defense system could have on their second-strike capability despite U.S. attempts to argue that a large-scale ballistic missile attack is not the focus of BMD. Moreover, the Obama administration's shift to a mobile, largely sea-based missile defense architecture directly implicates a number of possible contingency scenarios in Northeast Asia that involve China, including Taiwan. Strategic dialogues between the two countries could help increase understanding between the two sides about the new missile defense system.

⁶¹ Piers M. Wood and Charles D. Ferguson, "How China Might Invade Taiwan," *Naval War College Review* LIV, no. 4 (Autumn 2001): 55-68, <http://www.usnwc.edu/getattachment/cee1306d-0372-47cb-8261-1c7d1a5f0422/How-China-Might-Invade-Taiwan---Wood,-Piers-M-,-Fe.>

Occurring at the Track 1 or Track 2 level, the dialogues should focus extensively upon missile defense within Northeast Asia, including views from both sides about how the new missile defense architecture and related cooperation with U.S. allies will function in the security environment of the region. Such strategic dialogues can help build trust and confidence between the sides while paving the way for additional actions that the United States and China could undertake to reduce Chinese suspicions about missile defense. The United States should also explore transparency measures that could be taken with China, using past efforts with Russia as a starting point. Taken together, these actions can help clarify possibly ambiguities surrounding the new missile defense architecture in Northeast Asia, which could lessen Chinese concerns and thereby moderate their response to missile defense.

At the same time, the United States should reaffirm the role missile defense plays in extended deterrence and alliance commitments in the region. In the face of continued North Korean provocations, missile defense can provide an important capability in assuring allies, particularly Japan and South Korea. As the United States works to shape and size a phased adaptive approach in the regional security architecture for Northeast Asia, consultation with allies will be crucial. The United States should also explore the prospects for turning bilateral missile defense cooperation arrangements into an integrated multilateral regional system. Evaluating the political and technical obstacles, including Chinese opposition, to creating such a system can help inform the U.S. decision to adopt the most pragmatic course for missile defense in Northeast Asia moving forward.

In conclusion, the Obama administration's effort to recalibrate missile defense to better address regional missile threats could actually increase Chinese concern about U.S. missile defense. While the reduction in operational Ground-Based Interceptors should help reduce, though not ameliorate, Chinese concerns about missile defense negating the reliability of their ICBM second-strike capability, the new missile defense architecture has repercussions *within* Northeast Asia that could greatly concern China. The increased emphasis upon the SM-3 missile, stationed on mobile Aegis-capable ships, and movable THAAD batteries provides the United States with additional capabilities that could be brought to bear in regional contingency scenarios involving China, such as a conflagration over Taiwan. In addition, U.S. missile defense cooperation efforts key regional allies, a priority in the BMDR, worry Beijing. As China decides how to respond to the new

developments in U.S. missile defense, the United States should pursue high-level strategic dialogues with China on the subject, while remaining firmly committed to alliance commitments in the region. U.S.-China strategic dialogues can help foster the trust and confidence needed for strategic stability between the countries.