

**Scientific report**

Editor: Ingolf Kiesow

Co-authors: Ingmar Oldberg, Lena Jonson, Oscar Schlyter, Pål Jonson,  
Emma Sandström

## From Taiwan to Taliban; Two Danger Zones in Asia



SWEDISH DEFENCE RESEARCH AGENCY

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<b>Report title</b> From Taiwan to Taliban; Two Danger Zones in Asia		
<b>Abstract (not more than 200 words)</b> <p>The end of the Cold War has not resulted in a détente in Asia. Most burning is the ambition of China to incorporate Taiwan, which is opposed by USA. This conflict is reinforced by the desire of USA and neighbouring countries in Asia to keep the sea-lanes open on one hand and China's claims on the South China Sea on the other hand. China's modernisation of its nuclear arsenal and the U.S. programme for a Ballistic Missile Defence also reinforces the conflict of interests. China's accession to the WTO is working in the World Trade Center on 11 September 2001 and the ensuing American war against terrorism has changed the strategic picture of Central and South Asia. Politically fragile states in Central Asia are facing more complicated problems because of the American presence only on its eastern side. The antagonism between the two nuclear powers of India and Pakistan increases, while USA tries to maintain good relations with both of them. China is traditionally supporting Pakistan.</p>		
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<b>Rapportens titel (i översättning)</b> Från Taiwan till Taliban; två farozoner i Asien		
<b>Sammanfattning (högst 200 ord)</b> <p>Det kalla kriget har inte medfört en avspänning i Asien. Mest brännande är att Kinas ambitioner att inkorporera Taiwan möter motstånd från Taiwan och USA. Denna motsättning förstärks av USA:s och asiatiska grannländers vilja att hålla sjövägarna öppna å ena sidan och Kinas anspråk på Sydkinesiska havet å den andra. Kinas kärnva-penmodernisering och USA:s program för ett ballistiskt missilförsvar förvärrar motsättningen. Kinas inträde i WTO verkar i motsatt riktning och ökar ytan för fredliga kontakter med USA. Attacken på World Trade Center den 11 september och USA:s krig mot terrorismen har förändrat den strategiska bilden i Centralasien och Sydasien. Politiskt sköra stater i Centralasien utsätts för ökat tryck genom USA:s närvaro. Kina har fått amerikansk trupp stationerad på sin västra sida efter att tidigare bara ha mött amerikansk närvaro på sin östra sida. Motsättningen mellan kärnva-penmakerna Indien och Pakistan hårdnar, medan USA söker ha goda förbindelser med dem båda. Kina stöder tra-ditionellt Pakistan.</p>		
<b>Nyckelord</b> China, Taiwan, Western Pacific, South China Sea, UNCLOS, Ballistic Missile Defence, World Trade Organisation, terrorism, Afghanistan, South Asia, Central Asia		
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**By Ingolf Kiesow**

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A FEW WORDS ON MILITARY CAPABILITY .....	<b>ERROR! BOOKMARK NOT DEFINED.</b>
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## Executive summary

Global spending per capita has decreased, as a consequence of the end of the Cold War, from USD 298 in 1985 to USD 133 in 1999 (calculated in 1999 constant prices). The “Peace Dividend” is obvious, when seen in the global perspective.

In Asia, however, there is hardly any such dividend at all. Per capita military spending was USD 67 in 1985 and remained on the same level: USD 69.3 in 1999. This development has to do with developments in the Taiwan issue, the American Chinese relations, the Ballistic Missile Defence issue and the South China Sea issue.

After the restitution of Hong Kong, the "reunification" of Taiwan became a more prominent task in Chinese declarations and speeches. They seemed to indicate an ambition by the president of the People's Republic of China (PRC), Jiang Zemin, to appear in history as the leader who managed to reunify all of China. Especially after the restitution of Macau in 1999, Taiwan became the only remaining symbol of the humiliations from the colonial era. Chinese leaders said more often that it was worth taking the risk of using military force, if necessary.

The seemingly more urgent Chinese attitude results in some advisers arguing for the U.S. presidency to abandon the established doctrine of “Strategic Ambiguity” in the Taiwan question (i.e. basically unwillingness to declare assured military response by the United States in case of a Chinese attack on Taiwan).

The Taiwan issue raises some questions for the future: What will be the development of Chinese and Taiwanese economic and military strengths in the future? Will Taiwan be able to defend itself alone? Will the support from the United States continue to be dependable? What can Taiwanese leaders do to prepare simultaneously for the two possible outcomes (continuation and disruption of the U.S. protection)?

The sea-lanes in the Western Pacific are becoming potentially less safe for the allies of the United States, if China is going to attack Taiwan. At the same time trade across the Pacific is rapidly becoming much more important than trade across the Atlantic. USA is also shifting its attention in military matters to this region.

Ballistic Missile Defence (BMD) has become an important issue in the discussions about the U.S.-Chinese relations. The U.S.-Japanese relationship is developing into a more regionally based entity by the introduction of the BMD issue, including South Korea, Taiwan and Australia in a type of co-ordinated defence system, informal and yet co-ordinated.

The WTO association of China (and Taiwan) is a part of a grand strategy, an ambition to reshape the whole Chinese society. The basis shall be laid for an economic system based on market-orientation and opening to a globalised outside world. A great deal of that work has already been carried out and has an important impact on the Chinese society.

The probability of China modernising to the point where it becomes an integrated part of the international community will be best, if China becomes an operative member of the WTO and not just a formal member of the organisation.

The rulers in Central Asia are facing unrest from orthodox Sunni Muslim movements. In Russia, the problem is also being felt in connection with the uprising in Chechnya, where Islam is used to reinforce nationalism. In both South Asia and Central Asia the advances of Taliban in Afghanistan have raised the risk-level.

Today, after the fall of Kabul, a coalition of non-Taliban leaders has been created. However, effective administration, law and order and peace are likely to take more time to achieve. China has been much more reserved than Russia in supporting the American coalition against terrorism. Whether America will withdraw completely or remain in some sort of alliance with one or several states in Central Asia must be a matter of concern for China.

The relations between India and Pakistan have worsened to the point where there is a risk for war. Both countries possess nuclear weapons. The efforts of USA and others aim at keeping the peace between them. The countries in Central Asia and Russia also feel the changes brought by the presence of a new superpower in the region.

## Introduction

The importance of Asia is increasing in economic affairs and even more so are strategic issues in Asia becoming of global importance. The trend of globalisation make events in faraway countries in Asia more frequently of consequence for a politician, journalist or strategic researcher in Europe, but background knowledge about these countries is often scanty or insufficient. This book has been edited with an ambition to be of help in that respect. It is intended to be available (on the web) for anyone who feels a need for a rapid introduction to the most important issues of security policy in Asia.

That ambition makes it a handbook in one sense of the word but not in other respects. It has, for instance, not been made as a collection of systemised facts into catalogues with tables and numbers. For that purpose, the reader is advised to consult the Yearbook on the Strategic Balance by the International Institute for Strategic Studies in London or The Yearbook of the Stockholm International Peace Research Institute.

*“From Taiwan to Taliban”* is the first product of the Asia project at the Swedish Defence Research Agency, published in English. The purpose of the project is to create an instrument of reference, two or three books where a politician, journalist or administrator can find a basic introduction to the major issues in Asia that have a potential to develop into a serious conflict – and then to keep these books updated.

The original intention was to begin with a book covering all of East Asia, but some preparatory work was initiated as well on Central and South Asia. During a study trip to Central Asia in December 2000, it became evident that militant Islam and the lack of systematic information about the socio-economic conditions merit more attention than it has generally been paid. An effort was made to gather more knowledge about the socio-economic factors that affect the security situation of the countries of Central Asia and that work continued simultaneously with the research on East Asia.

Then the attack on the World Trade Centre in New York on the 11<sup>th</sup> September 2001 became a reason for deviating from the original plan. The work on Central Asia was accelerated. As a result, this book consists of two parts, one about the Western Pacific (that still lacks the chapters about the issue of the divided Korea and about Japan’s role in the region) and one about Central Asia.

Next to follow will hopefully be reports on India, Kashmir and Pakistan, about Japan and the divided Korea and finally about South East Asia, all within a three years’ perspective.

The character of this book being one of an introduction has some consequence for its disposition. The text does not contain much “academic” material in the form of discussion of theories of political science. Moreover, in the three chapters about Taiwan and the South China Sea, the editor has made an effort to present a personal perspective on the events during the last decades, based on his efforts to follow events from diplomatic posts in the region and from first hand sources in the region. He has done so in an effort to try to understand how the different sides see the matter and not to formulate any opinion or theory.

Consequently, much of the text is only supported by references to newspaper articles and that is done to make sure that what is said is being related to the right timing and to the facts that

were available when the events took place. The rest of the chapters in the book, both those written by the editor and by his colleagues, are created with a more usual methodology, although an effort has been made to keep the text as free as possible from theoretical reasoning.

A special emphasis has been made to describe developments during the last four or five years, the reason being that any person who looks for a reference will try to relate that to what he or she already knows. In the memory of most people that knowledge is usually limited to events during the last few years. Earlier periods of history are dealt with in a less comprehensive way. Hopefully this limited ambition does not render the effort worthless.

The co-authors are introduced as follows:

Ingmar Oldberg is an Associate Director of research at the FOI and a Russia specialist, who in recent years has focused on Russian foreign policy and regional problems; so far mainly in the Western direction He has written the article "*Towards Alliance? Russia's relations with China in an international context*".

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Oscar Schlyter is desk officer for Afghanistan at the South Asia desk of the Ministry for Foreign Affairs in Stockholm. He has previously worked at the Stockholm International Peace Research Institute (SIPRI). His research has covered Afghanistan, South Asia and regional security. He has written the article "*Impact of the Taliban Regime on Security in the Central Asian Region*".

Pål Jonson is a researcher at the Department for Security Policy and Strategy at FOI. His main interests include crisis management operations, maritime strategy and transatlantic security issues. He has written the article "*The Security Environment in South Asia*".

Emma Sandström is at present engaged in a project on Central Asia by the Ministry for Foreign Affairs in Stockholm, being lent out by the FOI, where she is a visiting researcher. She has written about CIS and Central Asia. She has written the article "*Central Asia – a new Afghanistan?*"

The Editor is leader of the Asia project at the FOI and an Ambassador in the Ministry for Foreign Affairs in Stockholm. He has published books about security policy matters in Asia and the Middle East. His articles in this book have the following titles:

*"Ballistic Missile Defence in Asia".*  
*"China, Taiwan, USA and the South China Sea" and*  
*"Peaceful co-existence and/or military competition in the Western Pacific?*  
*Economists versus military strategists on WTO, BMD and related issues".*

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