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Annual Conference Transcript
What Would Trigger Conflict in Asia?

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Begin Transcript

PATRICK CRONIN: “What Might Trigger a War in Asia?” I’m Patrick Cronin. I direct the Asia program at the Center for a New American Security. And it’s a great honor to have four distinguished scholars with me on this stage today to think through different aspects of this question. And it is deliberately provocative. It’s meant to step away from the day-to-day policy and to help us think about some of the big fundamental questions that America and the region and the world face.

Asia is, first and foremost though, let me just state up front, full of opportunity. And I think it’s still the intelligence community’s assessment that Asia-Pacific is on track to be overtaking both Europe and North America combined by 2030 when it comes to gross domestic product and research and development spending, population, and military spending.

However, Asia Pacific is hardly immune from war. We know that from history but we also know there are ample threats today. In fact, senior Trump administration officials are quite open about the threat that North Korea poses to peace in the Asia Pacific region. This is a top

Bold.

Innovative.

Bipartisan.

security concern. We've heard Secretary of Defense James Mattis, for instance, talk about it as a clear and present danger.

So there is a very real possibility, a non-trivial possibility of conflict in Asia coming about, for instance, from North Korea. But in Asian diplomacy and in all of the summit meetings and in the Shangri-La dialogue recently, the elephant in the room remains the U.S.-China relationship. Everybody wants to know where is this headed. Is it – are these two powers destined for war as the title of Graham Allison's provocative new book asks – and it really is a question. It's not a statement in that book. And if you read Graham Allison's full book, by the way, and not just read the many reviews that are being written, you cannot help but come away with questions about long-term trends, long-term interests, questions about strategy, about leverage and power. And I would invite all of you to read the book fully. Don't be put off by the reviews, most of which are highly favorable, by the way, but a few of which are not. It's not to say I agree with everything in the book. It's just that all four of these scholars have written some brilliant work. And I really would encourage you to dig deeply into the research and writing.

We're going to turn back to Graham Allison in a few minutes and, after that, we'll talk about the fact that it's not just about the United States. And, indeed, one of the longest rivalries in Asia is between China and Japan, and that's the subject of a fantastic and award-winning book by University of Miami Professor June Teufel Dreyer. And along with her very successful book on China, which is going to be in a tenth edition I think next year, she's going to help us think through the complicated relations of those two major East Asian powers and how that fits into a discussion on war in the past, war in the future, as well as interests for the United States.

And then we'll turn last but not least to Toshi Yoshihara, professor at the U.S. Naval War College until just recently. Now he's joined the Center for Strategic and Budgetary Assessments. In "Red Star over the Pacific" and in other works along with James Holmes and others, he's really analyzed China's growing maritime mastery and power and its implications.

But we're going to start with Professor Zachary Shore at the Naval Postgraduate School, who is also applying history in his four excellent books on judgment in foreign policy and national security. He's going to talk about that in just a minute. I'm looking at Hannah Suh, the program manager for the Asia Program and wondering whether am I supposed to talk now about the voting?

HANNAH SUH: (Off mic.)

MR. CRONIN: One of the adjunct features of this conference and this breakout session is we've been given a couple of polling questions, and they're available to you on your app. But for the old-fashioned types in the room, we also have written paper copies and you can drop them in the glass containers on the table on your way out.

We ask two very simple questions. One, whether you think war is likely to happen in Asia in the next decade, yes or no. There's no alternative. And then, if you do especially think

yes, go ahead and point to the culprit of who you think instigates that war. And I have listed six states. There are other countries, obviously, that could trigger a war but of those six larger powers we'd be very interested in having your view on that. For those who do the online app voting, they will be able to display that later in the conference. This data will be used only in the most general sense saying of saying, there's a sense of the room that war is more or less likely and that maybe one actor or two actors are more or less culpable than others.

But with that being said, I want to turn now to Professor Zachary Shore to help us think through how does the president of the United States, the national security adviser, other leaders evaluate prospective enemies.

Zach, what do you think?

ZACHARY SHORE: With great care, we hope. So I have a thought that I'd like to maybe start off by tackling the question of is war likely in Asia and then I'll move into talk about how my work might bear on that question. So historians especially love to qualify things and say, it depends, and I would think of the problem this way.

What Professor Allison has done is very beautifully articulate in his book the structural forces that make war more likely. And I would think of structural forces, such as a rising power challenging another, as risk factors in the way that a criminologist might think of them, so criminologists might say, poverty is a risk factor for crime. If you're poor, it doesn't mean that you're going to be a criminal, but poverty may make it more likely that you will commit crime. And in the same way, structural forces can make conflicts more likely. They are the pressures within which decision-makers must function. But the more proximate causes are, of course, the judgment exhibited by those decision-makers.

And so, really, we'll look at how wise are the leaders at any given moment, and how well can they assess the other side, which is one of the greatest challenges that statesmen face. In a recent book, "A Sense of the Enemy," what I tried to do was look at decision-makers who did that well, because it's so often not done well. The United States has not fared especially well at reading its enemies in recent years. I think if we ask about American assessments of either President Putin or Saddam Hussein or Taliban supporters, or going back to Vietnamese villagers, our performance leaves much room for improvement.

So what I wanted to do as a historian is understand who in the 20th century actually did this well, and when they did it well, was it luck or did they have a method? And what I found is that the leaders who did this best, they understood their enemies not from the enemy's pattern of past behavior, but from his behavior at pattern breaks. And that's a fairly complicated idea condensed into a single sentence. And so I used an entire book to try to explain what that sentence means.

In a nutshell, the problem with looking at past behavior is that we always project into the future and say, well, if the enemy was aggressive in the past, he'll be aggressive in the future, but we have this confirmation bias issue where we seek out the evidence to support our

preconceptions and you can pick out a pattern of aggressive behavior or you could pick out a pattern, a very real pattern, real evidence of pacific behavior. And that's usually how debates divide among hawks and doves within any administration.

A better way of assessing one's enemy, I found, the leaders who did it well, was to focus on the enemy's behavior at pattern-breaking moments. Those moments when something completed unexpected, dramatic events with long-term consequences occurred. Maybe it was a nuclear disaster, a sudden spike in violence, a massacre, it could be, on the other hand, a peaceful revolution – some dramatic event that was exogenous to the leaders themselves, how people behaved around those pattern-breaking moments revealed more about their underlying drivers than did the long pattern of behavior.

And so I look at cases from Gandhi reading the British, to Gustav Stresemann, the man who ran German foreign policy, I'm looking at the Russians in the 1920s to the North Vietnamese trying to assess the Americans on the eve of the Vietnam War. And in each of these cases and many more, it was the pattern-breaking behaviors, the behavior around these pattern-breaking moments that really revealed clues to people's underlying drivers.

And so, in answer to your question, Dr. Cronin, I think if the current administration or subsequent administrations are able to analyze Chinese behavior around pattern-breaking moments, they will gain greater insights and be better able, therefore, to avoid a war.

MR. CRONIN: Well, thank you very much, Zach. And, you know, Dr. Shore's work looks very much at individual, human agency, leaders in decision-making, which Washington requires. Graham Allison, as the founding dean of the Kennedy School, as the author of "Essence of Decision," and I should digress there a minute because Zach has a great sort of description when he thinks about the limits of looking at past behaviors rather than pattern breaks, these very stress-testing moments, you know, the response to the Munich episode with Nazi Germany, the hawks were right, says Zach, but in the Cuban missile crisis, the doves were right. They gave – they needed to give Khrushchev more of a chance. And, of course, every student of international affairs has read "Essence of Decision." And I suspect every student in the future will now read his new book because it's that important for provoking a discussion about the long-term future.

And if I can just do one quote from your book, Professor Allison, before I let you begin, and this is in the chapter where he's thinking about what are the triggers that could lead to these different conflicts. And one conclusion he reaches here, "The underlying stress created by China's disruptive rise creates conditions in which accidental, otherwise consequential events could trigger a large-scale conflict. In making choices to push back against bullying, meet longstanding treaty commitments or demand the respect their nation deserves, leaders on both sides may fall into a trap that they know exists, but which they believe they can avoid," and that's a very human insight there as well.

But, Professor Allison, I'm going to turn it over to you to talk about your book.

GRAHAM ALLISON: (Off mic) – to be here. Patrick, as usual, you get to the heart of the matter, and I think the quote actually captures the idea that’s relevant asked about the panel.

MR. CRONIN: Is the microphone on?

MR. ALLISON: Sorry.

MR. CRONIN: It may be on your device that you may have to move the switch on the top.

MR. ALLISON: Does this now work?

MR. CRONIN: We’re ready for war in Asia now.

MR. ALLISON: We never have technical glitches, so apologies. So I said thanks very much for the opportunity to be here and thank for Patrick the quotation that he offered gets to the heart of the matter as one tries to understand the question of the risk of war today, and the reasons why I believe the most dangerous hotspot on the globe is North Korea.

But let me go to the specific – to the big idea. The big idea in this book comes through Thucydides, the founder of history. And Thucydides said about the case that he studied, mainly the competition between the two great city states of classical Greece, 2,500 year ago, in a famous line. “It was the rise of Athens and the fear that this instilled in Sparta that made the war inevitable.” That’s Thucydides’ line.

Thucydides’ trap is a concept I coined about five years ago for trying to make vivid this insight from Thucydides, which is that when a rising power threatens to displace a ruling power, alarm bells should sound: extreme danger ahead. Thucydides’ trap is the dangerous dynamic that occurs in this interaction between a rising power threatening to displace a ruling power.

In the book, I look at the last 500 years of history. I find 16 cases in which a rising power threatens to displace a ruling power. In 12 of the cases, the outcome is war. In four of the cases, the outcome is not war. So Patrick is also exactly right. The title of the book should say, “Destined for War” question mark. The question mark actually comes at the end of the subtitle, “Can America and China Escape Thucydides’ Trap?” question mark, it’s a question. If you were simply betting on the record, you would say, not, but, as I argue in the book – and I argue in the book, business as usual in the relationship between U.S. and China will likely produce history as usual.

But as Santayana taught us, only those who fail to study history are condemned to repeat it. So if there should be a war between U.S. and China next year or in the decade ahead, Xi Jinping and Trump will not be able to claim that they were victims of some iron law of history. It will be for mistakes that they made or actions that they failed to take. But we should recognize that they face a structural stress, a structural dynamic that makes them vulnerable, just as the

quotation said, to the actions of third parties or to events, external events that then can trigger sets of actions and reactions that ultimately ended war.

And just to make that vivid both in a past case and in a current case. In a past case, I have a good chapter on 1914. I don't believe you can study the World War I too much. I think the books that came out on the 100th anniversary of the beginning of the war, of those I think the best is Chris Clark's "Sleepwalker," but, basically, I think you can look at this for yourself.

How is it conceivable that the assassination of an archduke in Sarajevo by a Serbian terrorist struck a match that produced a fire that burned down the whole house of Europe? I mean, it's inconceivable. Even when I work through it now, it just makes no sense. In the aftermath of the war, what happened to the ambitions and the actors? All of them were the key participants in the process that got them to war. The answer is every one of them had lost what he cared about most.

So the Austro-Hungarian emperor, his empire is dissolved, and he's gone. The Russian czar, who's backing the Serbs, has been overthrown by the Bolsheviks. He's gone, his whole regime. The German Kaiser in Germany is supporting his ally in Vienna. He's been tossed out. The French have been bled of their youth for a whole generation. Society never really recovers as a major power. And Britain, which has been a creditor for 100 years, is turned into a debtor, and is on a slide for its decline.

So at the end of World War I, if you'd given people a chance for a do-over, no one of them would have made the decisions that he made. But they did and the war came.

So if I take the Korean case today, I'd written about this as a – and I mentioned in the book, this is like a Cuban missile crisis in slow-motion. Coming down one track is Kim Jong-un, who is going to conduct a test of an ICBM in the foreseeable future. And that test of an ICBM or several tests will give him the capability to deliver a nuclear bomb against San Francisco or Los Angeles. That's going on one track.

On the other track is Donald Trump. From the first moment he heard about this, which was when Obama told him in the handover, he went right out of the meeting and tweeted, not going to happen, not going to happen. To today, or to his meeting with Xi Jinping at Mar-a-Largo, he said I don't know what Obama did and I don't know what Bush did, and I don't know what Clinton did but I know what I'm not going to do. I am not going to allow Kim Jong-un to be able to deliver a nuclear bomb against the American homeland. And if the only way I can deal with this is by attacking North Korea, so be it.

So we're going to see this play out not in 13 days like the missile crisis but in 13 months or so. Either Kim Jong-un is going to conduct such a test successfully and then we're going to live in a world in which North Korea could conceivably deliver a bomb against the American homeland, that's on the one hand. Or, on the other hand, we're going to attack North Korea. But if we attack North Korea, look carefully at what Secretary of Defense Mattis said last week three times in different testimonies. He said, we'll end up winning this war but in the first instance,

there's going to be a lot of people killed in one of the most crowded capitals in the world, in Seoul. And, actually, the issue that will be right on the table tomorrow in the discussions between Moon and Trump is going to be, are you going to risk the destruction of a – the death of a million people in Seoul and maybe a war in the Korean Peninsula and maybe a war with China to prevent North Korea having a capability to deliver a bomb against you? I'd say, stay tuned.

MR. CRONIN: Professor Allison, thank you very much. And I think the North Korea conundrum raises the problem of U.S.-China relations in a microcosm in the sense that accommodating North Korea doesn't guarantee peace either. So even if you avoid war, you're necessarily perpetuating a more peaceful stable environment. You're raising more questions.

MR. ALLISON: Indeed, if you accommodate, basically, Trump's argument, which is not a nutty argument at all that says, wait a minute. If we allow this person to test an ICBM and now he has a capability to deliver bombs against the West Coast and then he's going to extend that capability, so maybe he can deliver a dozen bombs against the U.S. And then, is that a world that we want to live in? Because if, God forbid, under whatever circumstances that ever happened and 10 or 20 or 50 million Americans die, we would look at it afterwards and say, boy, somebody should have done something about that earlier.

And, actually, in – I mean, I – just I'll confess my views about this – in 1994, I was at the Defense Department with Secretary Perry. Secretary Perry was in favor of attacking North Korea then. I was in favor of attacking North Korea then. Ash, who was there, he was in favor of attacking North Korea.

MR. CRONIN: Ash Carter.

MR. ALLISON: Shali was in favor of attacking North Korea.

MR. CRONIN: Yes. Shalikashvili, Joint Chiefs chairman.

MR. ALLISON: So we would have – if it had been the Defense Department's choice, we would have attacked North Korea then to prevent them ever getting a nuclear bomb. And I wish now, in retrospect, we had done that, but it was also the case that this ran the risk of triggering a second Korean war, which would have also been a catastrophe.

MR. CRONIN: Indeed, and with nuclear implications, which is one of the criticisms of the general argument, but you've written a great book from the structural and international system level and drawn on history. And you've done as much as you can with that, but when you get to the regional issues, and Asian regional specialists like June Teufel Dreyer, who's written really the best detailed history in English on the Sino-Japanese rivalry, you just appreciate how complex this history is.

And I wonder, Dr. Dreyer, whether you could kind of reflect on the implications of this question of what would trigger conflict in Asia from the lens of history of the Sino-Japanese rivalry.

JUNE TEUFEL DREYER: Well, one of the interesting things, as you do look at the rivalries how often the Korea tail wags at the Japanese-Chinese dogs, collective dogs, it now looks as if it could happen again, the difference I think being that I think there will not be a war because I think that one side or the other is going to blink first. And, at the moment, it strikes me that it is the American side that is blinking. And I see this – I saw it in the Obama administration in that Obama is willing to announce a red line, but when it's been crossed, nothing happens.

And then, he announced a pivot to Asia. We're going to pull out of the Middle East. And I, certainly judging from the last panel, that does not seem to be happening. And so he announced a pivot to Asia, which he then did not allocate enough money to actually do anything. And to the extent that things happened, the Chinese were able to immediately counter them.

For example, we have a rotation of Marines to Darwin, and what happens next is the Chinese take out a 99-year lease hold on the Port of Darwin. So check and checkmate kind of thing. And you see this happening everywhere – Djibouti, the U.S. Camp Lemonnier and the Chinese are constructing a base next-door, I mean, literally next-door since the country is so small. And we actually do nothing.

We have – we talk a lot about our allies in Asia. I count one ally in Asia. That's Japan. And for the rest of it, checkbook diplomacy has worked marvelously for the Chinese in Southeast Asia. And it's worked better in some countries than others. I was talking to a Caucasian American businessman with a lot of dealings in Asia, and he was telling me something that shocked me at first – that the Chinese are annoyed with Singapore for playing the United States against China. They have warned – this is in public newspapers, Chinese newspapers – they have warned Singapore about this. And I joked with one of my friends that the missive should have been signed trembling – tremble, which is the way the Chinese emperor dealt with his vassal states.

And so this business man said what the Chinese are planning to do is strangle – and that is the word he used from his Chinese contacts – Singapore. And I said, well, how are they going to do that? And he said, by pouring a lot of money into Malaysia and using Malaysian ports. And I thought, well, interesting. And then, about three days later, I read about a giant Chinese investment in Malaysia, which is right next to Singapore, and I thought, aha, kind of thing.

So we don't have allies. You have seen in the last couple of ASEAN meetings how China is able to dominate ASEAN, even though it has observer status rather than being a voting member. We have just seen India and Pakistan collectively join the Shanghai Cooperation Organization.

And, truly, again, here I rely on one of my students who now teaches at a university in Seoul, his wife is Korean, and I said to him, well, what do you think the reaction is to what happened to this poor guy who got – for whom North Korea is responsible for the death of. We needn't quibble over the details there of how it happened, Otto Warmbier. And he said that his colleagues, plus his Korean wife, do not pay much attention to it because they're afraid it may

inhibit President Moon's ability to make nice with North Korea. So let's face it: the U.S. doesn't have allies. It talks a lot. Duterte, we used to talk about Philippine ally. So you see what's happened there.

So we really, in my opinion, we have blinked already. Bob Kagan said it much better. The canary is dead. And, in this case, if the canary is the South China Sea, we've already tacitly ceded it to the Chinese. And the one exception we make is freedom of navigation, and really that's the only thing we can do because our so-called allies are not allies and will not support us in this.

MR. CRONIN: Well, thank you very much for those blunt words. (Laughter.)

MR. ALLISON: Can I make just one brief footnote? Just a footnote because I like June's – (inaudible) – came from Dalian, and yesterday – I mean, I was in Dalian yesterday morning with Lee Cachung (ph), God help us with the – for the travel, the Australian man, the Australian pointed out a poll that was held at Australia last week. More Australians fear the U.S. than fear China.

MS. DREYER: I saw that. Yeah.

MR. ALLISON: That's a poll last week. This was an Australian fellow who said – and believe it, that's correct. Yeah.

MR. CRONIN: I want to turn to Toshi –

MS. DREYER: Excuse me. Do I get a footnote to his footnote?

MR. CRONIN: Go ahead, June. Yes, a brief one.

MS. DREYER: I just wanted to add that, actually, the game isn't over yet. Although the United States has blinked, definitely, the Chinese empire is in severe danger of imperial overstretch. They have pledged over \$1 trillion to the OBOR. There are already rumblings within the organizations that it shouldn't be called One Belt, One Road. It should be called One Belt, One Way Road because it's not – the Chinese goods are going in, the money is not coming back. A lot of these countries had underdeveloped infrastructure because they're not capable and will be incapable of paying back the debts. So sorry. End of footnote.

MR. CRONIN: No, thank you. It gets us to the fact that in China we saw one strike – you know, first strike video, which is an extreme military scenario, in which the PLA rocket force launches a preemptive strike in defense of its reclaimed islands in the South China Sea, for instance. But it's the belt road initiative, it's the more – it's the softer power and the economic power and influence. It's the Sun Tzu indirect approach here that China's mostly using in this bounded competition and exploiting.

Toshi Yoshihara has written about this. And I want to just connect your book on “Red Star over the Pacific” with Graham Allison’s book because the two of you, you cite three very interesting RAND studies about the cross-strait situation regarding Taiwan.

So the original – the first of the three goes back to the year 2000 and essentially estimated that the cross-strait military balance was favorable for Taiwan and the United States, that we could maintain and defend the air. Even after 2005 – it was looking ahead five years I think. Then there was a 2010 study looking at 2009, and already there was now, just a decade later, enormous concern about whether that military balance could be maintained anymore, whether China had tipped the balance. Those were the two studies in the conclusion of your book with James Holmes.

And then, Graham Allison’s book, and he cited the 2015 RAND study, a third RAND study by Higgenbotham (ph), looking at just this year how China was ahead in the majority of the indicators on a cross-strait balance right now and was even making enormous progress on the South China Sea military balance vis-à-vis the United States and its allies. And if you projected another 10 or 15 years, it was a continuation of that trend. That’s a current evolution essentially that’s widely accepted I think.

So we do see this sort of inexorable move of China being able to assert both belt-and-road economic power but also this growing blue water Navy, as we’ve written about it in a new report, the rocket force that we heard the commanders talk about, and this Taiwan study. So some allies like Japan are doing a lot. Whether it’s sufficient is another matter. The United States is working on network security, trying to build partners and cooperation across. We have another report that we just produced looking at how this bilateral and trilateral security cooperation is happening with and without the United States to hedge against China.

But, Toshi, I mean, do you think these trends are sufficient to stand up to China’s encroachment and do these trends trigger war in your mind? And, if so, why or not?

TOSHI YOSHIHARA: Yeah. If I could go back a little bit and talk about the underlying forces that is driving China to the seas, and then I’m going to argue that China’s turn to the seas will be a permanent phenomenon in Asian politics and that this is going to I think increase the competitive tensions that we’re already seeing in Asia.

So I’m going to talk about the forces driving China to the seas by the numbers. So I’m going to talk about three numbers. The first number is 470. The second number is three. And my third number of three million. So let me go through each of these numbers.

What’s 470? Four seventy represents in the Chinese narrative the number of times that China suffered from external attack during the so-called century of humiliation, beginning in the mid-19th century to the mid-20th century. What that meant, of course, to the Chinese is that the reason that China fell prey to Western imperial aggression was because it was weak at sea. And so the lesson was clear to the Chinese today is that China needs to be strong at sea in order to prevent bullying.

And, in fact, even more recent history suggests that China needs to be strong at sea if you think about the outbreak of the Korean War, Truman's decision to interpose a 7th Fleet between Taiwan and the mainland, that marked the permanent separation of Taiwan from China. Or if you think about the U.S. intervention in the Taiwan Strait crisis in 1995 to 1996, that was also another form of, again, Western gunboat diplomacy against China.

So there is a very powerful, I think, historical narrative about China being humiliated by outsiders. And, therefore, Chinese leaders have a historical responsibility to right these past wrongs. So there's a very powerful emotive force behind China's turn to the seas.

The second number is three. The three refers to the so-called three island chains. The first island chain, as many of you know, runs from Japan through Taiwan through the Philippines and ends in the Indonesian Archipelago. The second island chain runs from Japan down to the Marianas. The third island chain, of course, is the Hawaii Islands.

If you're sitting in Beijing looking out into the Western Pacific, what you see are concentric rings of American military power that stretches from the American homeland right into China's backyard with a string of military bases focused in Northeast Asia, in Guam, and in Hawaii. In fact, if you talk to some Chinese, they'll say there's a fourth island chain, and that would be the American West Coast, centered on San Diego, a major U.S. naval base.

So what this conveys, of course, is this notion that China is potentially vulnerable to containment. China could potentially be closed off to the open commons. It animates, I think China's fears. What the island chains also represents is America's alliance system in East Asia. They note, quite uncomfortably, that the occupants of the first island chain are either formal allies or close friends of the United States. And, of course, the chokepoints that are formed by the first island chain means that Chinese mariners, whether they're commercial or military in nature, must pass through one of those choke points in order to reach the open waters of the Pacific or the Indian Ocean.

The last number, three million – that's three million square kilometers of China's maritime claims in maritime Asia. Of course, if you buy that number – three million square kilometers – you would have to accept that China actually lays claim to most of the South China Sea. But, those three million square kilometers embodies a series of very important strategic and economic interest to China. Those waters, of course, are critical sea lanes for China's vibrant economy. Those waters also have important energy resources and food. Those waters contain some of China's territories that it claims as its own. Those waters are also critical approaches to China's most important political, economic and military centers along the coast.

So if you combine those three factors, the historical narrative, the geographical constraints of the island chain, the claustrophobia that that causes, as well as the various interests embodied in the three million square kilometers of water, what you find is actually going back to Thucydides is this notion that China needs to defend its honor, right, erase the humiliation. It needs to mitigate its fears of containment and it needs to defend its interests. If you combine

those three, those are really powerful motivators for China to go to sea. And, of course, this is coming at a time where China's military power is such that it has expanded its reach certainly now beyond the first island chain. And that is, of course, overlapping with the underlying structure of American military power in the Western Pacific. And I think that provides I think the context for the competitive dynamics that we're seeing in the past few years.

MR. CRONIN: It's a great explanation. And, you know, the difference here that Graham Allison is defining, these broad historical set of lessons and the structural forces at work, so that no matter what Washington policymakers do in any administration – Republican or Democratic – there is a question – legitimate question is to how much can be done to defy gravity, as Graham Allison was talking about, Kurt Campbell's pirouettes as assistant secretary of state in the last administration, where he was trying to promote the rebalance to Asia Pacific and much of the bureaucracy in Washington getting in the way of policy action that June Dreyer rightly recognizes from Miami is not that swift and is not always that effective because these things are much harder in Washington than they are outside Washington. But the question, are they effective? Are they sufficient? And this is a big question.

We have time for some questions. We want to open up to you. And, Zach, do you want to add a point here? Please, go ahead.

MR. SHORE: I would just like to expand a little bit on what Toshi just said. And that is another way of thinking about this problem of China's wish to expand, push out towards the seas is something similar we're seeing with Russia. You could think of what's happening in Eastern Ukraine as similar to North Korea. In a sense, they're the same problem. You have regional powers that no state wants to be encircled or encroached upon. And the United States, from the perspective of Russia and China, has been encroaching, as Dr. Yoshihara described, for decades. And so if you think about from the perspective of, say, Russia from 1988 to the present, you could look at how U.S. influence has just swept across Europe, up to its borders.

A colleague of mine said once, imagine if you were negotiating with the Russians in 1988 and they said to you, comrade, we will give you all of Germany, all of Poland, your influence could stretch all the way from the Baltic States all the way down to the Balkans, right up to Russia's borders, but you can't have Eastern Ukraine. What would we have said? You know, we would have said, okay, where do we sign? It would be great, right? How soon before they change their minds? (Laughs.)

Well, looking at it from that perspective then, it's understandable why the Russians would want to push back. And so Professor Allison uses a nice analogy in his book of U.S. may be playing chess while he other side is playing Go. But another way of adapting that metaphor is rather than Go, it's more like Othello. Othello is the game where you flip the pieces to your color. And from the Chinese and the Russian perspective, it's possible they see the United States as having flipped territory more to its color, getting its influence ever closer.

And now, there's an opportunity for pushback and expansion. So I just think that's another way of thinking about it from their perspective.

MR. CRONIN: It's terrific. I want to take some questions from the audience if we can. If you want to raise a hand and I believe there's a microphone. Eduardo, there's a hand over here in the middle.

Q: Hi. Aaron Mehta with "Defense News." I wanted to just ask the panel maybe expand a little bit on the comment about why the pivot didn't fail, or if the pivot failed. This is actually the question. What should the Obama administration have done differently in your minds? And is there an opportunity perhaps in the near term, perhaps over the course of the Trump administration to maybe get some of those things right? And then, this is a quick follow up for Graham. I just want to touch on your comment about the fact that you and some other officials were proponents of going to war with North Korea in 1994. Do you still believe that would have been – looking back, do you think that would have been the right choice to make given what's happened since?

MR. ALLISON: I'll go very quickly on pivot – Kurt Campbell is one of my close friends and associates for many, many years. And he doesn't completely agree with my account of the pivot in the book, but I illustrate the relationship between the U.S. and China as a seesaw so think of the balance of power as a seesaw and think of the economics piece.

So, basically, in 2004, Chinese economy is about 15 percent of the U.S. So the seesaw looks like this. And by 2014, the Chinese economy is slightly larger than the U.S. by the best single yardstick for measuring and comparing national economies, which is PPP. And by 2024, it's going to be on the current trends half again larger.

So the pivot was about whether we should put more weight on our left foot in the Middle East, fighting wars, or on our right foot, in Asia. But, actually, what was failing to note was that all the while our feet were being lifted off the ground by the fundamental gravity of events. And this is just the economic balance of power. One could do it in other domains. I think the main thing, therefore, about the pivot was that it was missing the fundamental fact that just gravity was changing.

I think the other point, if you want a fun point for the pivot, I wrote a previous book on Lee Kuan Yew, and it's a great book I would say because 90 percent of the words are Lee Kuan Yew's words so Blackwill and I just did the questions and we got his nuggets. His comment about the pivot is even more devastating. He said, I love Americans. And he said, but they have the thought that international affairs is like watching a DVD or a disc of a movie in which when you need to look somewhere else, you hit the pause button, then you pivot, and you look somewhere else. And then when you're done there, you come back and push play, and it starts off from where you left off. But, actually, lots of things are happening in Asia when you're looking in some other direction. So, basically, the proposition that we just switch our attention. I think that that's a comment on the pivot.

On the '94 argument, I've been back through this and, actually, I was in Stanford presenting the book a couple of weeks ago and spent a couple of hours with Bill Perry talking

about it. I still think that it would have been a good idea in '94 to have prevented North Korea from acquiring any nuclear capability. At the time, all of the – there was 8,000 fuel rods in one little building. It was an absolutely easy strike. If you'd done it at night, you could have had very few casualties. The question would be still whether it would have triggered a second Korean War. And if it had, then we would agree that it would have been a terrible decision maybe.

So one of the things is uncertainty, but I think the thought in any case would have been that one would have presented both to the North Koreans and especially to the Chinese to try to get them to make it credible to the North Koreans that, of course, any day he wants to go to war and start the Second Korean War, that Kim can do this. I mean, he's free. That's a fact. What he needs to understand is that the end of that war, for sure, he and all of his regime are going to be destroyed. So that's a decision for him to make today, tomorrow, any other day.

The question of whether he wants to make it after his nuclear weapons had been eliminated, that was – now, unfortunately, today, in the current situation, where best estimates are North Korea could launch nuclear weapons against South Korea or even Japan, it's a different calculation.

MR. CRONIN: June.

MS. DREYER: Yeah. The gentleman from "Defense News" asked what Obama should have done differently. He shouldn't have announced a pivot at all unless he were prepared to back it up. And what happened was unaccountably, somehow he thought we could extricate ourselves from the Middle East or he could extricate us from the Middle East, even while he was getting us steadily more involved.

And what the announcement of the pivot did is actually make China more assertive in Asia because it said – and you can read this in the Chinese newspapers – it said the United States had given it a provocation. So if you provoke, which obviously it was a provocation to China, you had better be able to back it up with something.

So, A, he didn't get us out of the Middle East, and, B, he didn't allocate the money for the pivot, while, C, giving China a reason to become more provocative themselves – counter-provocative, if you will. So that's what he could have done differently.

MR. CRONIN: Thank you.

MR. YOSHIHARA: I think part of it is just that the power balance has shifted so rapidly under China's military modernization. Let me just talk about the naval piece of it and just to showcase to you how hard it is to keep up with China's rapid naval modernization.

So based on most estimates, depending on the kinds of ships you count, China already has the largest number of combatants, right, both in terms of ship count, submarine count, et cetera, today. And based on future projections, China will likely have, again, based on ship

count, not talking about quality here but the number of ships, the largest Navy. This is a remarkable shift in the balance of power.

I've examined China's surface fleet, for example. China started in 2006 as having roughly seven surface combatants that could be considered modern that were produced by the Chinese themselves. By 2016, it had grown nearly tenfold. And based on my estimates on the keels that were already laid, ships that are going through sea trials, by 2020, China could have as many as 90 modern surface combatants, compared to just seven in 2006.

So part of this is to understand the shifting balance of power and then comparing it against the resources that we devoted to our military capabilities to keep up with this power shift.

I would also add that I think part of our failure, I guess, is risk aversion, that we weren't prepared to take more risks out of fear of provoking China, to go back to June's earlier point, that I think we could have been much more risk acceptant in the maritime domain to demonstrate our resolve, but I think we chose not to. And the kinds of signals that we sent, and were mixed signals, both to China and to our allies and friends in the region.

MR. CRONIN: It does seem to be complicated right now. The Trump administration is trying to put more money behind the Navy and airpower and to put the funds that maybe the Obama administration did not – was not able to finance. It remains to be seen whether that will be done. Sequestration is still in place. But the whole idea of a 355-ship Navy certainly is that aspiration.

But, on the other hand, the Trans-Pacific Partnership has gone sort of by the boards, and so it's left us without a clear geo-economic strategy. Maybe it will be filled-in well, but there's a question there. Meanwhile trying to, as Jim was talking about and Graham on the rapid rise of China, is at least impressing the region with promises of investment in infrastructure and real building that's going on. But the question is will it be able to continue that or have they overstretched, as June Teufel Dreyer –

MR. ALLISON: Let me do two footnotes.

MR. CRONIN: Go ahead.

MR. ALLISON: First I think to Toshi's point, which I agree with altogether, I think the one area in which the Obama administration did push back jointly with Japan in the East China Sea suggested that the Chinese calculate in a very realistic fashion the balance of capabilities. And in the East China Sea, notice that a conflict would be catastrophic for them currently, and, therefore, adjusted pretty rapidly. So I think that's very consistent with your theory.

I think, Patrick, to your point is also a huge point that Washington has kind of passed over because TPP got trashed. But, basically, TPP was our equivalent of One Belt, One Road. It was a big idea about how Asia was going to be organized in a trade collective that was going to constitute a correlation of economic forces to which China would have to adjust.

And, actually, we went out and sold this to every one of the capitals. That's what it is and that's what it's going to do. It's going to be the mechanism for joint prosperity. Most of the capitals had to pay the political price of joining TPP so they already paid the price. We then walk away from it, not just Trump. I mean, Sanders trashed it more effectively than Trump did.

So we basically – this was lost in the American public. But, in any case, you can say, well, that's our politics and whatever. If you're the prime minister of Singapore or of Malaysia or of Japan, the answer is, well, thank you very much. And then, in the alternative, China is very happy to fill in this space. So I think that especially for those of us in the security community, we miss what a big impact that's had in terms of the consciousness and in terms of the basic plans.

MR. CRONIN: And, Zach, do you want to add something?

MR. SHORE: Yes. Underlying this whole discussion of China's rise and America's relative decline is the question of how would the United States reverse that. And one thing that we never talk about in this discussion is a broader framework, a broader way of thinking about grand strategy. If power is the ability to get what you want and strategy is the pathway to power, grand strategy is the pathway to great power. And the United States has gotten away from grand strategy.

It sounds like so far, just from what I read in the press, that the Trump administration wants to build the Navy, as Patrick said, and to put more money into the military. But a broader way of thinking about how the United States gets what it wants, if its goal is to reverse that trend and get back on top and increase its influence vis-à-vis China, then you would have to consider what's allowing China to be so successful, and that's its tremendous wealth. And what has helped its tremendous wealth?

Well, one major factor is, of course, it's invested in its people, in education. It's people are getting smarter and richer, and the American people are not. To put it politely, there's been a decline and an evisceration of the education system. We never think about these kinds of domestic sources of strength and how they affect national security and international affairs. And so rethinking that, investing more in educating the people who then go on to build businesses and pay taxes and create new wealth, new Apples and Facebooks and what have you and other businesses in the future, creating greater wealth in this country through education would be one way to expand our conversation about power.

MR. CRONIN: Well, I'm in for education. I don't think we're going to disagree with that up here. The question is whether it's sufficient still.

MR. SHORE: No. Of course not. It's important.

MR. CRONIN: And let's not – you know, we haven't really dwelt on China's problems. There have been books written on that. We could write more books on those problems. They've

been hinted at. June in particular hinted at the overstretch issue. So we don't really know the future. The Chinese don't know their own future. But certainly the recent past has been demonstrably impressive.

I wonder if I can just end here, because we're running out of time, by asking each of you to kind of speculate as to if war were to break out, what do you think would be the most probable way that war might be triggered that could involve the United States in particular in Asia. And I wonder, Toshi, if we can start with you and just go down this other direction.

MR. YOSHIHARA: Yeah. I mean, I think it's important to, first of all, think about what matters to China and what are the things that would compel the Chinese to use force. And I think there are broadly three areas. One is regime survival. So the party's grip on power. If it feels that it's losing its grip on power, that might be one trigger.

The second trigger, of course, is a threat to China's ability to develop economically. Its national development strategy, if in some way that is fatally harmed, that might compel China to use force.

The third one is China's territorial integrity. And those would be issues related to Xinjiang and Tibet and I think in particular Taiwan. And that leads me to conclude about Taiwan as a possible trigger for a conflict in which the United States is drawn in as a third party. I think that Taiwan for the past decade at least hasn't been quite in the news. It's getting back into the news and it's a nice reminder again that a flash point there could very well expand into a much larger great-power war between China and the United States.

MR. CRONIN: That's a good, comprehensive framework. We're now just going to give brief responses. June.

MS. DREYER: I certainly agree about the Taiwan situation. I think Korea is another possible trigger. A third one is a very kind of personalistic (sp) reaction to something. I noticed that when we decided to invade Panama, the trigger for Bush was an American military officer's wife being abused by a Panamanian officer, and something snapped. And something could snap on either side. There is – we have continually talked about China as if it were a monolith. It isn't. Xi Jinping has his enemies. You probably met with one of them yesterday. And he is trying too hard to centralize power in his own hands in a situation where nobody wanted another Mao and a semi-collective decision-making process had evolved. People don't like this. He has his enemies. We'll see a lot in the next party congress. But the domestic rivalry within China could easily be a trigger just as the rivalry between Stalin and Trotsky was a trigger in the Soviet Union.

MR. CRONIN: Graham.

MR. ALLISON: So in my book, I have a chapter called "From Here to War," in which I have five scenarios, none of which require a stretch, but I'll focus on the one that I worry about most right now. I would say Taiwan is the – had generally been the fastest way to get there.

And, actually, if we had stayed with the position President-elect Trump took, I think we were on the road. There's no question that the Chinese will fight the U.S. today over Taiwan's independence. And I think that's the reason why we basically have accommodated that fact.

But I think the danger path is North Korea. And I think the way to think about it is to think about the first Korean War. In the first Korean War, what happened, 1950? So North Korea attacked South Korea. They were just about to unify the country under its control. The Americans came to the rescue just at the last minute. MacArthur was left off in Japan. This is five years after World War Two.

So we came, we pushed them right back up the Peninsula. MacArthur imagined he was going to be reunify the country under the control of Seoul by Christmas. Lo and behold, out of nowhere came 300,000 Chinese attacking the Americans and then another half million right behind them and pushed us right back down the peninsula to the 30th parallel, where the war ended.

So in the Chinese mind, they've settled the issue that they're not going to have on their border an American military ally. They just – that's a kind of a, quote, a "fact" for them. I think it's part of their a little bit of combination of what Thucydides would say, their security but also their honor.

So I think – here's the path that would get you there pretty quickly. We attacked North Korea, a very limited attack on their missile launch sites so they can't test ICBMs. That's pretty easy to do. They respond by artillery against Seoul. That's very easy for them to do. We respond by suppressing that artillery and other rockets and missiles that could launch further attacks on South Korea or Japan. In that case, the Second Korean War has begun.

As Mattis says, in that war we win for sure and unify the country unless there's some other participants. And are the Chinese going to participate in that war? I would suspect they could well decide to do. And now we've got another war in the Korean Peninsula. Now, does it escalate from there? That becomes an interesting further scenario, and that would take too long. But I would say that's a very good path for getting from here to war.

MR. CRONIN: Indeed. I think Secretary Mattis called it a catastrophe of historic proportions if it's solve by military force, and yet it's a very real possibility. Zach, you get the last word on this panel but very briefly.

MR. SHORE: The panelists have identified key flash points, all of them very plausible but I think the Chinese aim is to steadily accrue power and influence so that it's so overwhelming they follow the precepts of Sun Tzu to win any conflict without ever having to fire a shot.

MR. CRONIN: And you've just won this fight. (Laughter.) So please join me in thanking this tremendous panel. (Applause.)

End Transcript