Southeast Asian Military Modernization: A New Arms Race?

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February 2011
Overview

- What is driving and enabling arms modernization in Southeast Asia?
- What kinds of military equipment are regional militaries buying?
- How are new weapons systems affecting the regional military landscape?
  - Does it constitute an “arms race”?
Drivers and Enablers Behind Naval Modernization Activities

- Drivers:
  - Regional tensions
  - Changing military requirements demanding force projection capabilities (coalition operations, good order at sea)
  - Shift in U.S. military activities
  - Growing Chinese military presence in South China Sea

- Enablers
  - Rising defense budgets
  - Supply-side economics: “buyer’s market” for arms
Regional Tensions

- Competing territorial claims (Spratlys, Liancourt Islets, Ambalat sea block)
- Competing EEZ claims: oil and gas, fisheries
  - Several countries in SEA (and China) overlap in their EEZ claims in the South China Sea
- Enduring intra-ASEAN animosities (Singapore v. Malaysia, Myanmar v. Thailand)
New Force Projection Requirements

● Protect SLOCs
  - Malacca/Singapore, Lombak, Makkasar, Sunda straits
  - Critical to global trade
    ● 25% of the world’s trade passes through Southeast Asian waterways
    ● 25% of crude oil
    ● 50% of supertankers, by tonnage

● Increased requirement for PKOs and stabilization missions

● “Good order at sea” in the regional waters
  - Counter-terrorism
  - Counter-piracy
U.S. Military Activities in the Asia-Pacific

- Shift in focus from NE to SE Asia
- Force transformation
  - Relocation of troops out of South Korea and Japan
  - Corresponding buildup in Guam
- Defense transformation
  - Greater emphasis on mobility, agility, flexibility of U.S. forces in Asia-Pacific
- New alliance arrangements
  - Forward operating bases/staging areas
  - Improved interoperability with regional militaries
Chinese “Creeping Assertiveness” in SEA

- Growing economic interests in SEA: 60% of China’s oil comes through Southeast Asian SLOCs
- China claims “sovereign control” over most of South China Sea
  - A “core interest” on par with Taiwan, Tibet
- Chinese military buildup around SEA:
  - PLA Navy: From brown to green to blue: create a sustainable power projection/expeditionary naval force
  - New naval bases in Hainan and Woody Islands (nuclear submarines, Su-30MKIs)
  - Base access in Myanmar and Pakistan (“string of pearls”)
Enabler #1: Rising Regional Defense Spending

<table>
<thead>
<tr>
<th>Country</th>
<th>2000</th>
<th>2008</th>
<th>Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Indonesia</td>
<td>$2.2b</td>
<td>$3.8b</td>
<td>72%</td>
</tr>
<tr>
<td>Malaysia</td>
<td>$1.7b</td>
<td>$3.5b</td>
<td>106%</td>
</tr>
<tr>
<td>Singapore</td>
<td>$4.6b</td>
<td>$5.8b</td>
<td>26%</td>
</tr>
<tr>
<td>Thailand</td>
<td>$2.1b</td>
<td>$3b</td>
<td>43%</td>
</tr>
</tbody>
</table>

Source: SIPRI

- Overall SEA military spending rose 50% in real terms between 2000 and 2008
Enabler #2: The Global “Buyer’s Market” in Arms

- Most leading arms producers (Western Europe, Russia, Israel) are highly dependent on exports
  - Excess capacity, shrinking markets at home
  - Producers prepared to deal when it comes price, flexible payment options, offsets, tech transfers

- SEA: Small but growing market (~$2b annually)
  - 2005-09: Malaysian arms imports rose 722%; Singapore, 146%; Indonesia, 84% (SIPRI)
    - Singapore: 7th largest arms importer
  - SEA: a truly “open” arms market
Airpower Buildup in SEA

- **Singapore:** 24 F-15SG
  - 74 F-16 “block 52/52+”
  - JSF partner (up to 100)
- **Malaysia:** 18 Su-30MKM (+18?)
- **Indonesia:** 4 Su-27, 5 Su-30 (+6?)
- **Vietnam:** 12 Su-27, 12 Su-30MKK
- **Thailand:** 12 Gripen
- **Burma:** 20 MiG-29

- **Armaments:** AMRAAM, AA-12, JDAM (S’pore), JSOW (S’pore), RBS-15 (Thai)
Naval Power Buildup in SEA

- **Singapore**: 6 *Lafayette*-class FFGs, 4 ex-Swed. SSKs (acquiring 2 more, with AIP), 4 LPDs (350 troops, 18 tanks, 2 helos, 4 LCAC)
  - Building a “networked navy”
- **Malaysia**: 2 British frigates, 2 *Scorpène* SSKs
  - Once had plans to locally construct up to 27 MEKO100 OPVs, later cut back to 6 (but may be resurrected)
- **Indonesia**: 4 Dutch *Sigma*-class corvettes (w/Ch. C-802 and Exocet ASCMs), 4 Korean LPDs
  - May also buy submarines: new from Russia (earlier buy effort failed), or used from Germany or South Korea
- **Vietnam**: 6 Kilo-class SSKs
- **Thailand**: aircraft carrier (*Chakri Nareubet*), subs?
Land Power Buildup in SEA

- **Main Battle Tanks**
  - Malaysia: Polish PT-91M MBT (T-72)
  - Singapore: Leopard 2A4
  - Vietnam: T-72 (ex-Poland)
  - Myanmar: T-72

- **Artillery Systems**
  - Malaysia: Brazilian ASTROS II MRL; South Af. G-5 arty
  - Singapore: HIMARS MRL; Primus, Pegasus arty
  - Thailand: Fr. CAESAR arty

- **Attack Helicopters**
  - Singapore: AH-64D
  - Malaysia: Mi-8 Hip
  - Indonesia: Mi-8 Hip
C4ISR

- UAVs: Singapore: (Israel), Malaysia (indigenous), Thailand (Israel), Philippines (Israel)
- AEW+C aircraft: Singapore (Israel), Thailand (Sweden)
- C4 systems: IKC2 (Singapore)
Is It an “Arms Race”? Probably Not

- Characteristics of an arms race (Colin Grey, Grant Hammond)
  - Conscious, mutually antagonistic relationship
  - Deliberate structuring of armed forces based on likely adversary’s behavior
  - Military planning directly based on calculations of likely adversary’s capabilities and intentions
  - Explicit quantitative and qualitative competition in arms acquisitions
  - Increased defense spending and a “rapid” rate of acquisitions

- Hard to see an “arms race” *per se* in SEA, in terms of openly adversarial relationships, military planning, # of arms being acquired, the rate of acquisitions, etc.
  - Many SEA countries (Brunei, Burma, Cambodia, Laos, Philippines) are barely players
The China Factor

- Presence of China complicates regional arms planning, undercuts “regional arms race” argument
  - There is certainly a “counter-China” element to the SEA arms acquisitions, esp. naval, and esp. on the part of Vietnam
  - But China is hardly arming itself respective to countering an SEA arms buildup (no action-reaction cycle)
Nonstrategic Rationales for SEA Arms Acquisitions

- Prestige and pride
- “Keeping up with the Joneses”
- Corruption (bribery)
- Supply-side economics
  - Is “easy” access to advanced weapons driving demand?
- Domestic/Interservice politics (“everyone gets a new car!”)
  - Thai aircraft carrier
Asia-Pacific Military Buildup: More Than “Just” Modernization

- New capabilities when it comes to:
  - Force projection: range, speed, maneuver, and sustainability
  - Lethality and precision
  - Stand-off strike capacity
  - Stealth
  - Command and control, battlespace knowledge

- Kernel of the RMA/defense transformation
  - Singapore: IKC2 networked forces
SEA and the “Arms Dynamic”

- Buzan and Herring: Arms dynamic/arms competition
  - Still an action-reaction process, but…
  - …mostly technology driven (recapitalization)…
  - …and basically “status quo” oriented (intended to maintain a regional military balance, rather than gain hegemony or superiority over competitors)
SEA Military Modernization: A Potentially Destabilizing Buildup?

- “Modernization-plus”: lead to the introduction of new capabilities (e.g., for force projection, stealth, firepower, ISR) into regional military security calculus
- Increased arms competitions: can contribute to a regional “security dilemma”
  - Reinforce mutual suspicions and insecurities: spiral effect undermines the very security that arming is seeking to enhance
  - Make conflict, should it occur, more lethal
- On the other hand, improved capabilities for contributing to and interoperating with US forces in coalition operations; counter-China capabilities