

1-1-2010

Regional maritime security: threats and risk assessments

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Recommended Citation

Bateman, Sam: Regional maritime security: threats and risk assessments 2010, 99-113.
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Regional maritime security: threats and risk assessments

Abstract

Regional maritime security: The maritime security of Southeast Asia reflects a range of enduring and dynamic factors. Enduring factors are mainly the geography of the region with its complex pattern of archipelagos, islands, bays and gulfs and narrow shipping channels; its heavy dependence on shipping for both domestic and intra-regional trade; and the importance of regional seas and their resources to the well-being of regional peoples. The dynamic factors include sovereignty disputes, the increasing levels and density of shipping traffic in the region, increased exploitation of marine resources, deteriorating fish stocks and marine habitats, growing naval budgets and higher levels of naval activity. The combination and complexity of these enduring and dynamic factors highlight the challenges of promoting maritime security in the region. Meeting these challenges is exacerbated by both the rate of change and the lack of truly effective regional forums in which to develop appropriate cooperative and coordinated measures to deal with them.

Keywords

Regional, maritime, security, threats, risk, assessments

Disciplines

Law

Publication Details

S. Bateman, 'Regional maritime security: threats and risk assessments' in S. Bateman & J. Ho(ed), *Southeast Asia and the Rise of Chinese and Indian Naval Power: Between Rising Naval Powers* (2010) 99-113.

Regional Maritime Security – Threats and Risk Assessments

Sam Bateman

Regional Maritime Security

The maritime security of Southeast Asia reflects a range of enduring and dynamic factors. Enduring factors are mainly the geography of the region with its complex pattern of archipelagos, islands, bays and gulfs and narrow shipping channels; its heavy dependence on shipping for both domestic and intra-regional trade; and the importance of regional seas and their resources to the well-being of regional peoples. The dynamic factors include sovereignty disputes, the increasing levels and density of shipping traffic in the region, increased exploitation of marine resources, deteriorating fish stocks and marine habitats, growing naval budgets and higher levels of naval activity. The combination and complexity of these enduring and dynamic factors highlight the challenges of promoting maritime security in the region. Meeting these challenges is exacerbated by both the rate of change and the lack of truly effective regional forums in which to develop appropriate cooperative and coordinated measures to deal with them.

This paper reviews the spectrum of threats in the Indo-Pacific region that might have some impact on the maritime security of Southeast Asia. Consideration of the Indo-Pacific region suggests the significance of both the strategic position of Southeast Asia between the Indian and Pacific Oceans and the various shipping routes between these two oceans that pass through the “choke points” constituted by the archipelagos lying between Southeast Asia and northern Australia. In identifying threats in the Indo-Pacific region, the paper is concerned with those that might arise in the Western Pacific or Eastern Indian Oceans rather than those

further afield in the Indian Ocean in the Middle East or Southwest Asia. Threats in the Western Pacific and Eastern Indian Oceans will often be interlinked by virtue of the strategic centrality of Southeast Asia and the vital sea lines of communication (SLOCs) that pass through the region between these two oceans.

In many ways, the Singapore Straits constitute the centre of strategic gravity of both Southeast Asia and the wider Indo-Pacific region. A circle of 1500 nautical miles radius centered on Singapore takes in all of Southeast Asia except for northern areas of Myanmar, and the easternmost islands and territory of Indonesia. It stretches to Hong Kong in the north; to offshore islands of northern Australia in the southeast; and to Sri Lanka in the west. It includes many strategically important shipping routes and seas, notably the South China Sea, the Andaman Sea and the Celebes Sea. The area enclosed within the arcs of this circle is defined for the purposes of this paper as the area of direct maritime security concern to Southeast Asia.

Methodology

This paper identifies possible threats that could impact on the maritime security of Southeast Asia. These threats include ones that might emerge within the region itself, as well as ones from outside the area of direct maritime security concern that nevertheless would impact on Southeast Asia. The paper then assesses the risks of these threats in terms of their likelihood and the economic, political and strategic consequences for Southeast Asia.

Using a typical risk assessment matrix¹, the likelihood of a particular threat might be assessed at one of the following levels:

1. Almost Certain – already occurs regularly;
2. Likely – will probably occur in most circumstances in the foreseeable future;
3. Possible – might occur in current circumstances;
4. Unlikely – not expected to occur unless there is some significant change in current circumstances; and
5. Rare – might occur in exceptional circumstances.

To complete the risk assessment, the consequences of a particular threat might then be considered in terms of its political, strategic and economic consequences and the impact on the maritime security of Southeast Asia. The following levels of impact might be used:

- A. Negligible – no disruptive effects and “business as usual” with economic activity and regional relations;
- B. Minor – regional tension is significant with some breakdown of bilateral relations but no conflict or disruptive effects and the situation is manageable within existing processes;
- C. Significant – some closure of ports and particular shipping routes, but any conflict is temporary and generally constrained by regional agreement and UN responses;
- D. Major – significant disruption of regional trade and economic activity, and some continuing conflict within the region but generally limited to particular areas; and
- E. Catastrophic – complete breakdown in regional relations, total disruption of trade and economic activity and wide ranging warfare within the region itself, including the likely involvement of extra-regional powers.

Using these levels of likelihood and consequence, the paper produces a matrix showing the risks of various threats that might impact on the maritime security of Southeast Asia. These range from low-level threats with little impact to the major and catastrophic ones that would have profound implications for regional stability and prosperity. Generally there is a correlation between the low likelihood of a particular threat and its consequences with the more improbable threats having the greatest impact. The paper also considers likely developments and trends, as well as any lead-time for the emergence of particular threats.

Minor and Negligible Threats

Marine Pollution

Coastal states in the region, especially Indonesia and Malaysia, are very concerned about protecting the marine environment, particularly from illegal dumping at sea and ship-sourced marine pollution. Marine pollution is a major threat to the regional fishing industry, coastal tourism and fragile marine habitats. Oil pollution from ships is believed to occur in the Malacca Strait due to tank cleaning and the unlawful discharge of bilge water and sludge.² Similar pollution due to operational discharges from ships might also occur in the South China Sea. Factors supporting these reports include the extent of shipping traffic in the region, the lack of effective monitoring and surveillance, and the tendency of some ship masters to pump bilge water or clean ship's tanks if they think they can get away with it. As shipping traffic increases in the region, the threat of marine pollution is also growing, but overall the regional consequences will remain negligible.

Piracy and Armed Robbery

With the exception of security in some ports and anchorages, the situation with piracy and sea robbery in the region appears to be under control. The total number of incidents reported in the Asian region during 2008 has declined compared to 2007 with a decrease also in the significance level of the reported incidents.³ However, several attacks occurred during the period on vessels underway in the “hot spots” near the Anambas islands in the South China Sea and in the Sulu Sea.

The measures taken by regional countries both at sea and onshore have largely been effective although security in ports and anchorages in some countries, and policing generally against maritime crime, could still be improved. While incidents of piracy and armed robbery will continue to occur in the region, particularly in ports, anchorages and port approaches, the consequences of the threat remain negligible. Some surge in maritime attacks following the recent deterioration in relations between the Philippine government and the Moro Islamic Liberation Front (MILF) in the southern Philippines is one possible development that might affect current trends. Onshore violence in this region increased significantly in the latter part of 2008.⁴

Smuggling at Sea

Smuggling at sea has a long history in Southeast Asia. It is frequently regarded as an extension of the historic trading arrangements between neighbours that is still conducted through the barter trading system. It is particularly prevalent in the Sulu Sea area and the Malacca Straits. With the depleted fish stocks in the region, many coastal villagers have lost

their basic means of livelihood, and are tempted into illegal activity, including smuggling and piracy.⁵ Smuggling at sea for the purposes of this threat assessment includes illicit trafficking in people, drugs and arms. The illegal movement of people is relatively common in parts of the region and could increase in the future

While a significant problem for maritime law enforcement agencies that invariably requires good cooperation between the agencies of bordering countries, overall the consequences of smuggling at sea are negligible. Increased dislocation of people as a consequence, for example, of food shortages or climate change is one development that could disturb this trend.

Natural Disasters

The vulnerability of Southeast Asia to marine natural disasters was demonstrated by the tragic tsunami in the Northeast Indian Ocean on Boxing Day 2004 and the impact of cyclone *Nargis* in Myanmar in May 2008. Maritime natural hazards that could lead to a natural disaster include climatic hazards (cyclones, tropical storms, floods, and sea level changes); geological hazards (earthquakes, volcanic eruptions and tsunamis); and biological hazards (marine pest infestations and pollution).

Three factors might be noted with regard to appreciating the risks and consequences of a natural disaster occurring from or through the maritime environment. First, they can be predictable, particularly so in the case of climatic hazards with developments in satellite monitoring, oceanographic research and weather forecasting. Secondly, they are pervasive in time and space with the Indian Ocean appearing particularly vulnerable. Thirdly, the

occurrence of natural disasters appears to be increasing as a result of higher levels of volcanic activity, and changing weather patterns.

While the future occurrence of a maritime natural disaster in the region is almost certain, the consequences for regional maritime security are negligible. Cooperative arrangements for dealing with the aftermath of natural disasters are receiving attention in the region. More effective monitoring and warning systems are also being put in place. While much of this cooperation revolves around the use of military forces and their skills and capabilities, the potential sensitivities with the use of these forces must be appreciated, particularly where a political agenda may be evident or suspected.

Fisheries Incidents

Illegal, unregulated and unreported (IUU) fishing has become a serious problem in the region, especially for Indonesia.⁶ Clashes between different groups of fishers and alleged illegal fishermen and maritime law enforcement forces occur regularly in the region, including in the South China Sea, parts of the Indonesian archipelago and in the west off Thailand and Myanmar.⁷ Generally these incidents have negligible consequences but they can assume a more serious dimension when they occur in areas of disputed sovereignty where clashes or armed “stand-offs” might occur between law enforcement units of neighbouring countries. The risks of fisheries incidents may also increase in the future as regional fish stocks continue to decline and fishermen have to move further afield to obtain worthwhile catches.⁸

Border Clash

There are widespread areas of Southeast Asia where maritime boundaries have not been agreed between neighbouring states, most notably in the South China Sea. Other areas include the northern Malacca Strait where there is no exclusive economic zone (EEZ) boundary between Malaysia and Indonesia, the eastern approaches to the Singapore Strait where sovereignty over key features is divided between Malaysia and Singapore,⁹ and the Ambalat region to the East of Borneo. In early November 2008, Bangladesh and Myanmar naval vessels were in a stand-off in an area of the Bay of Bengal claimed by both countries where possible hydrocarbon reserves are believed to exist but no maritime boundaries have been agreed.¹⁰ In May 2009, tensions flared again between Malaysia and Indonesia in the Ambalat area with the Indonesian navy nearly firing upon a Malaysian patrol boat that had allegedly intruded into 'Indonesian maritime territory'.¹¹ (The Straits Times 2009).

While the consequences of these incidents are normally negligible, there is always the risk of misunderstandings that could lead to more serious consequences and the breakdown of bilateral relations. It is important that bilateral agreements and avoidance of incident at sea arrangements are in place to mitigate the risks of an incident escalating into a more serious situation.

Major and Significant Threats

Climate Change

Climate change will affect the physical conditions of the oceans and regional seas, including temperature, strength of currents and sea levels, and these impacts are becoming increasingly evident.¹² As a result of climate change, ocean temperatures will rise markedly, ocean circulation patterns may change and sea levels will rise. Ocean acidification is a major problem that will have a very serious impact on coral reef systems.¹³ Changing ocean conditions as a consequence of global warming could have compounding effects on the rate of climate change. The impact of climate change on marine, coastal, estuarine and freshwater ecosystems will likely affect many people directly or indirectly through the loss of fish stocks and marine habitats and the increased prevalence of natural disasters, such as flooding and cyclones.

There is a close link between climate change and food security. Food security is a major threat to regional security. It has two connections with the maritime environment. The first is the direct impact of declining fish stocks and loss of marine habitats on subsistence fishing and access to seafood at a reasonable price. The second is the indirect impact arising from the consequences of food shortages. This could manifest itself in increased migration flows. This would serve to reinforce flows already occurring more directly as a consequence of climate change. All indications are that climate change will occur and the consequences for the region are significant.

Intruder Submarine Incident

There are potential dangers with the increasing number of submarines working in the relatively confined and potentially dangerous seas of Asia. As well as larger Southeast Asian submarine fleets, the extra-regional navies of Australia, China, India and the United States may also operate submarines into Southeast Asian waters and this activity might increase in the future. In Northeast Asian waters, Japan is showing increased concern over Chinese submarine activity in maritime areas adjacent to Japan.¹⁴ Some submarines might be engaged on intelligence and surveillance missions that take them into sensitive waters where they are at risk of being detected by another country's anti-submarine forces. Regional anti-submarine warfare (ASW) capabilities are also likely to increase in the future thus increasing the risks of an unfortunate incident.

Extensive covert submarine operations involving intelligence collection or training incursions into the territorial sea of another country by the Soviet Union, the United States and other Western countries were a feature of the Cold War years.¹⁵ The most infamous incident, the so-called "Whisky on the Rocks" incident, occurred in October 1981, when the Soviet Whisky-class diesel submarine No. 137 was found stranded on the rocks off the Swedish naval base at Karlskrona.¹⁶

An "intruder" submarine detected in an area of disputed sovereignty in Southeast Asian waters would be warned off and in extreme circumstances, might even be attacked. However, anti-submarine weapons are clumsy ones with an "all or nothing" result that could lead to the sinking of the submarine with all her crew. Submarines have a very low reserve of buoyancy and even relative minor damage to a submarine's watertight integrity can have catastrophic results. Such an incident would have very serious repercussions for regional security.

There are many prerequisites of safe submarine operations. At a regional level, arrangements are required for water space management and the prevention of mutual interference (PMI) with submarine operations, including possible “no go” areas for submarines being incorporated into codes of conduct for disputed areas. The concern for submarine safety has been demonstrated by several multinational submarine rescue exercises that have been held around the region mainly under the auspices of the Western Pacific Naval Symposium (WPNS). These confidence-building measures beg for greater attention in regional forums.

Maritime Terrorism

In Southeast Asia, the vulnerability of the maritime sector to attack by terrorists has been of concern due to the economic importance of the sector; the incidence of piracy and sea robbery in the region; and the presence of terrorist groups with either a history of attacking maritime targets or suggestions of an intent to launch such attacks. There are many possible scenarios.¹⁷ While a maritime terrorist attack in the region is not inconceivable, the consequences of such an attack would vary greatly according to the nature of the attack.

Terrorist attacks have occurred on ferries in the region, and these vessels, as well as potentially cruise liners, continue to be vulnerable to attack. The most notorious ferry attack is that on the *Superferry 14*, which sank in February 2004 near Manila after a bomb explosion and fire onboard with the loss of 116 people killed or missing. Other attacks on ferries in Southeast Asia include the February 2000 bombing of the Philippine ferry *Our Lady Mediatrix*, which killed forty people; and the December 2001 bombing of the Indonesian ferry *Kailifornia*, which killed ten.¹⁸ With passenger ships and ferries, it is not so much the bomb that might do the damage but rather the fire and panic that can follow an explosion with so many people in a

relatively confined area.¹⁹ Overall, however, the regional consequences of such an attack would be minor.

The more serious maritime terrorist attacks would include attacks on port infrastructure that closed a major port or an attack or threat of an attack that led to the closure of a major regional waterway. It is physically impossible to block either the Malacca or Singapore Strait, but some possible threats, such as sea mining or a small boat suicide attack, could lead to the re-routing of commercial shipping traffic away from these waterways. The more catastrophic scenarios involve possible attacks on liquid natural gas (LNG) or liquid petroleum gas (LPG) tankers, either through the planting of devices onboard or by the use of a tanker as a mobile weapon to strike secondary targets. Such attacks seem improbable due to the technical complexities involved, and the opportunity and expertise required for such an attack. Although such a scenario is unlikely, its potential is given disproportionate focus due to the catastrophic results such an attack might produce.

Sovereignty Clash in Southeast Asia

Temporary stand-offs or clashes between the maritime security forces of countries with conflicting claims to offshore sovereignty in some parts of the region were identified earlier as possible threats with minor consequences for regional maritime security. A more serious clash sustained over a period of time, or involving the forcible seizure of an island or reef by one party, would have major consequences for regional maritime security. This event has occurred in the past in the South China Sea, but is now proscribed as unacceptable under the 2002 Declaration on the Conduct of Parties in the South China Sea.

Conflict in Northeast Asia

Several potential causes of conflict exist in Northeast Asia, including on the Korean Peninsula, across the Taiwan Strait, or over disputed territories, such as the Takeshima/Tokdo islands or the Senkaku/ Daioyu islands. This conflict might be either bilateral or could involve a coalition of forces. Overall the probability of conflict in one of these areas appears to be diminishing with considerable improvement, for example, in cross-strait relations between China and Taiwan in 2008.²⁰ North Korea is an obvious exception with its nuclear tests and missile launchings in May-June 2009 leading to a serious downturn in regional relations.

The Takeshima/Tokdo dispute has ongoing potential to affect stability in Northeast Asia;²¹ Japan feels threatened by North Korea with its ballistic missiles, weapons of mass destruction (WMD) and special forces, and by China with its nuclear capabilities and modernizing military forces; and Russia is emerging again as a potential major military power in the region with an unresolved sovereignty dispute with Japan over the Kuril islands.

Barry Desker has speculated on the likelihood of war in Asia with a particular focus on the emergence of a *more assertive* China rather than a *more aggressive* China.²² He concludes that war is unlikely due to the emergence of a “Beijing Consensus” founded “on the leadership role of the authoritarian party state, a technocratic approach to governance, the significance of social rights and obligations, a reassertion of the principles of national sovereignty and non-interference, coupled with support for freer markets and stronger regional and international institutions”, as well as some adjustment by the West to the norms and values of the East.

In the remote possibility of conflict in Northeast Asia, it would likely spill over into Southeast Asia, particularly through any move by one of the opposing parties to attack or blockade the movement of shipping of the other party through SLOCs in Southeast Asia. While Southeast Asian countries may not be directly involved in the conflict, there would be significant economic disruption in Southeast Asia due to the impact on trade between the two regions.

Catastrophic Threats

WMD Incident

The proliferation of WMD and their delivery systems is regarded by the international community as one of the greatest threats to international peace and security.²³ This focus has been highlighted by recent developments in North Korea.

Cruise missiles offer an effective means of delivering all forms of WMD as well as conventional warheads. They may be launched from ships, submarines or aircraft, and their use is proliferating in the region. Nuclear weapons pose the most serious threat although there are significant obstacles to acquiring the materials to produce a nuclear weapon. Biological and chemical weapons may be acquired more easily but they are still difficult to use in a successful attack and their effects may be less lethal. WMD might be developed by either a state in contravention of international rules and norms or by terrorist groups. Following the breakup of the Soviet Union, there have been concerns that nuclear weapons or associated militaries could be exploited by potential proliferators and terrorist groups.

With the extensive counter-proliferation regimes now in place, the threat of a WMD attack in the region is unlikely although the consequences might be catastrophic. Without strong adherence to the regimes, the risks of a WMD incident could increase. Terrorist groups have actively sought a WMD capability,²⁴ and while the development of an effective weapon is well beyond the capability of existing regional groups, this could change in the future, particularly as relevant technologies might become more readily available. As proliferation of WMD and related materials may well occur by sea, adherence in the region to relevant international regimes, particularly the International Convention for the Suppression of Unlawful Acts Against the Safety of Maritime Navigation (SUA Convention) and its 2005 Protocol is important.²⁵

Conflict between China and India

The “security dilemma” involves Country A increasing its defence spending and acquiring particular capabilities in response to Country B’s new defence acquisitions, but then Country B feels it has to respond to what Country A has done, and so defence budgets spiral upwards. While some analysts argue against the “security dilemma”, there may be elements of it with India and China. Despite India’s social problems at home and internal security difficulties, Indian’s justification for increased defence spending, certainly for its naval spending, is based on assessments of China’s larger defence budget and alleged intentions in the Indian Ocean. China’s developments are said to be the most pressing motivation for India seeking greater military power and working hard to close the gap with China by spending heavily on modern weapons.²⁶

The U.S. Director of National Intelligence recently predicted that the world faces a growing risk of conflict over the next 20 to 30 years.²⁷ He referred to the transfer of wealth and power from West to East, the possibility of strategic rivalries revolving around trade, demographics, access to natural resources, investment and technological innovation, and how China and India will be seeking greater strategic influence. Undoubtedly how relations between these emerging powers develop in the future will have a major impact on maritime security in Southeast Asia. Similar concerns pervaded the 2009 Australian *Defence White Paper* that noted how ‘Shows of force by rising powers are likely to become more common as their military capabilities expand’.²⁸

At present India is concerned about China’s strategic intentions in the Indian Ocean,²⁹ while China is concerned about the risks of its possible strategic containment between India, Japan and the United States. The strategic interests of China and India overlap in Southeast Asia and this region in the future may be the focus of strategic competition between the two countries. Latif has described ‘the common security domain’ in Southeast Asia between the straddling influence of China and India in the region, as well as the consideration that ‘the turf war between China and India represents a sobering aspect of Asia’s international relations’.³⁰

The “worst case” scenario of conflict between China and India, if played out in a wide theatre of operations, including warfare at sea, would have a catastrophic impact on Southeast Asia. Trade and economic activity, including shipping traffic through the region, would be disrupted. While still assessed as unlikely, this threat must still be given some finite probability of occurrence. Fortunately the two countries recognise the problem and are pursuing a range of worthwhile confidence-building measures, including naval exercises and the exchange of port visits.³¹

Conflict between ASEAN and China

The possibility of conflict between ASEAN and some or all of the ASEAN countries is the last threat to consider. This is at both the lowest end of the probability scale and at highest end of the consequences scale. However, a possible trigger for such a threat exists in the South China Sea with the unresolved sovereignty disputes and apparently increasing competition for the oil and gas resources that are believed to exist in the area. New troubles have emerged in that regard during 2008 both with Vietnam and the Philippines, together with a fear that China may be becoming more assertive with regard to its claims in the South China Sea.³²

Regional Defence Spending

The trend in the region towards higher defence spending is one development that could increase the probability of some of the threats discussed in this paper. As shown in Table 1, over the five years from 2002 to 2007, China's defence budget grew by a massive 14.3 per cent in real terms per annum; South Korea's by 7.9 per cent per annum; India's by 6.7 per cent; and ASEAN's by 4.6 per cent. In contrast, Japan's defence spending showed little growth over the five year period. In ASEAN, the Philippines' defence budget fell during the period and Myanmar's remained roughly steady. If those two countries are removed from the equation, then the annual growth rate in ASEAN defence spending during the five years was 6.9 per cent with Indonesia leading the way with an annual growth rate of 12.5 per cent in real terms.

Table 1: Defence Budgets and Annual Growth Rates in real terms (2000 US\$) 2002-2007

In arguing against an arms race in Asia, some commentators point out that in many countries, the defence budget as a percentage of Gross Defence Product or government spending is showing little change – or in some cases, even a decrease – and thus there are few grounds for concern about levels of defence spending in the region.³³ By way of example, China enjoyed a high rate of economic growth over the five years from 2002 until 2007 – as did its defence budget albeit at a faster rate. China’s defence spending during the period increased from 1.2 per cent of GDP in 2002 (7.5 per cent of government spending) to 1.5 per cent of GDP in 2007 (11.4 per cent of government spending).³⁴ China is often seen as the trigger for a regional naval arms race.³⁵ There may be grounds for this belief. China’s naval force expansion plans may be an explanation for the acquisition of new missile destroyers in South Korea and Japan.³⁶ Also as has been noted, China’s submarine basis on Hainan may well have spurred an “arms race” type reaction from India.

Increased regional expenditure on defence should be of serious concern. Higher defence spending has adverse consequences for regional security in both direct and indirect terms. In direct terms, it creates an environment of increased military activity that is potentially destabilising with greater numbers of aircraft, warships, submarines and armoured vehicles. In a speech at the 2009 Shangri-La Dialogue, Singapore’s Deputy Prime Minister and Defence Minister, Teo Chee Hean, highlighted the need for regional countries to have greater transparency with military acquisitions, strategic intent and security concerns.³⁷

The situation in the maritime environment is of particular concern with more ships, submarines and maritime aircraft operating in relatively confined regional waters some areas

of which include sovereignty disputes and unresolved maritime boundaries. Increased military activity at sea increases the risks of an unfortunate incident between naval forces. In indirect terms, defence spending has a high opportunity cost by diverting resources from important programmes for economic development, social improvement and poverty alleviation. The failure to address these programmes adequately can lead to instability both domestically and regionally.

In Southeast Asia there are questions about whether recent arms purchases directly serve legitimate military requirements or whether they may be unintentionally increasing the “security dilemma” in the region.³⁸ Malaysia’s Deputy Prime Minister Najib Razak claimed in October 2007 that Malaysia’s build-up of submarines and new fighter aircraft is not part of an arms race ‘but is meant to keep the country from having a “third class” defence force’.³⁹ Similarly, the Indonesian and Malaysian Defence Ministers denied in December 2007 that there was any arms race in the region.⁴⁰

Conclusions

Table 2 provides the risk assessment matrix that summarises the likelihood and consequences of the various events discussed in this paper. The threats and risks in the top left-hand corner of the matrix are either common or likely, and are generally well covered by existing processes of cooperation and dialogue. They also do not require capabilities such as aircraft carriers, submarines and cruise missiles that are starting to figure more prominently in the acquisition programmes of regional defence forces.

Table 2: Risk Assessment Matrix

Those threats and risks in the bottom right-hand corner are the ones that give most grounds for concern, particularly ones in the “unlikely” row which could occur if there were some significant change in current circumstances. Increased strategic competition between the major Asian powers is one such circumstance. The challenge in dealing with these changes is increased by the dynamic nature of the maritime scene in Asia at present, including the shifting balance of power between West and East, and within Asia itself.

The waters of Southeast Asia are likely to see increased numbers of surface warships, submarines and maritime aircraft in the years ahead. While these developments may be in response to a feeling of increased maritime insecurity that seems to justify higher defence spending, the developments themselves also have potential to add to insecurity in the region. This is all part of the well-known security dilemma, and regional forums, such as the ASEAN Regional Forum (ARF) and Shangri-La Dialogue will be challenged in the future to address these spiralling naval force developments. Furthermore, some of the new capabilities, particularly submarines, are not well suited to processes of cooperation and confidence building that might be considered.

The mitigation of the risks involved requires more attention to preventive diplomacy and maritime confidence and security building measures, including greater transparency with regard to naval operations and exercises, and possible limitations on the employment and acquisition of particular naval capabilities. Greater research is required into the implications of increased regional defence spending (particularly spending on maritime capabilities), the risks of particular scenarios, and the measures that might be taken to mitigate the risks. At the Track Two level, the Council for Security Cooperation in the Asia Pacific (CSCAP) has recently taken the positive step of establishing a Study Group to investigate the implications

of naval enhancements in the region. However, Track One, particularly the ARF, should also be prepared to address these issues.

¹ Australian Government, *Offshore Security Assessments Guidance Paper*, Canberra: Department of Transport and Regional Services, Office of Transport Security. 2005. (available at: [https://www.dotars.gov.au/transport/security/maritime/pdf/Offshore Security Assessments Guidance Paper.pdf](https://www.dotars.gov.au/transport/security/maritime/pdf/Offshore_Security_Assessments_Guidance_Paper.pdf)).

² (Basiron 2008: 122).

³ Regional Cooperation Agreement on Combating Piracy and Armed Robbery against Ships in Asia (ReCAAP) (2009), *Annual Report 2008, 1st January – 31st December 2008*, Singapore: ReCAAP Information Sharing Centre.

⁴ Simon, S. 'U.S. – Southeast Asia Relations: U.S. Responds to Southeast Asia Political Turmoil', *Comparative Connections – A Quarterly E-Journal on East Asian Bilateral Relation*, Washington DC: Centre for Strategic and International Studies, 2008, Online. Available http://www.csis.org/component/option.com_csis_pubs/task.view/id.5072/

⁵ Young, Adam J., *Contemporary Maritime Piracy in Southeast Asia; History, Causes and Remedies*, Singapore: Institute of Southeast Asian Studies, pp. 60-61.

⁶ Ghosh, N., 'Trawling the seas for catastrophe', *The Straits Times*, 30 May 2009, p. C17.

⁷ Butcher, J. *The Closing of the Frontier: A History of the Marine Fisheries of Southeast Asia c. 1850-2000*. Singapore: Institute of Southeast Asian Studies, 2004, pp. 229-232.

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⁹ On 23 May 2007, the International Court of Justice (ICJ) awarded sovereignty over Pedra Branca/Pulau Batu Puteh to Singapore, and sovereignty over Middle Rocks, lying 0.6 nautical miles to the south of Pedra Branca, to Malaysia. Pedra Branca lies approximately 24 nautical miles east of Singapore, 7.7 nautical miles south of Malaysia and 7.6 nautical miles north of the Indonesia's Bintan Island. A complete set of maritime boundaries in the area will require the agreement of Indonesia, Malaysia and Singapore.

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¹¹ 'KL – Jakarta tensions rekindled at Ambalat', *The Straits Times*, 30 May 2009, p. C10.

¹² *United Nations Oceans and the Law of the Sea – Report of the Secretary-General*, UN doc. A/63/63, 10 March, 2008, p. 89 (report available at: <http://daccessdds.un.org/doc/UNDOC/GEN/N08/266/26/PDF/N0826626.pdf?OpenElement>).

¹³ Ghosh, N., 'Trawling the seas for catastrophe', *The Straits Times*, 30 May 2009, p. C16.

¹⁴ 'Japan concerned over Chinese submarines near maritime borders', *NOVOSTI – Russian News & Information Agency*, 17 October 2008, <http://en.rian.ru/world/20081017/117793498-print.html> (accessed 24 October 2008).

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