## DGAP POLICY BRIEF

# Conflict in Two Theaters?

# European Misperceptions about the Asia-Pacific



Elisabeth I-Mi Suh Research Fellow, Security and Defense Program

Russia's 2022 invasion of Ukraine is being heralded as a moment of strategic clarity for Europe about the return of revisionist power politics. While the immediate neighborhood remains the main concern, European strategists are worried about a second source of risk: violent revisionism in the Asia-Pacific. The United States has already shifted its center of strategic gravity to the Pacific, but conflicts brewing there also require a European response.

- Europe has a major stake in the stability of the Asia-Pacific region. It is therefore important for a wider European public to pay more attention to regional stakeholders.
- Assessing risks in the Asia-Pacific requires a careful analysis of revisionist signaling, regional security arrangements, and the role of middle-sized powers. European experiences and parameters do not fully apply.
- This paper draws on case studies of the security and defense policies of Australia, Japan, South Korea, and Taiwan. All four countries shape regional security significantly by engaging in assertive defense planning and diversifying their security relations.
- Important European stakeholders NATO, the European Union, individual European states – can contribute to deterring violent revisionism in the region by deepening relations with Asian-Pacific partners.

2 No. 28 | September 2022

Conflict in Two Theaters?

**DGAP** POLICY BRIEF

#### **ABOUT THE PROJECT**

The DGAP's project on "Risk Reduction and Arms Control in the Asia-Pacific Region" aims to provide a comprehensive analysis of the security dynamics in the Indo-Pacific and East Asia, with a focus on important players including Australia, China, Japan, North Korea, Russia, South Korea, Taiwan, and the United States. The objective is to foster understanding in Germany and Europe of the risk of conflict in the Asia-Pacific and suggest possible steps to mitigate this risk and safeguard stability in and beyond the region. The project starts with taking stock of security developments in the Asia-Pacific.

All information and country reports can be accessed at <a href="https://on.dgap.org/3f35EBO">https://on.dgap.org/3f35EBO</a>

Conflict in Two Theaters?

In the spring of 2022, shortly after Russia began its invasion of Ukraine, speculation arose about various "two-front" scenarios. Analysts in Europe feared that China might exploit the situation in Eastern Europe to force Taiwan into "unification," which would draw the United States into a second conflict and also require a European response. China's August 2022 military exercises – the largest in the Taiwan Strait since 1995/96 – have fueled such fears.¹

The Korean Peninsula makes for a second hotspot in the region: Large-scale war could erupt if the paranoid regime in Pyongyang launched a preemptive nuclear attack in response to real or imagined US attempts at regime change.<sup>2</sup> On the peninsula, as in the Taiwan Strait, fundamental strategic interests are at stake – conflicts there will not stay local, but involve the United States and its regional partners as well as inflict massive damage on the global economy.<sup>3</sup>

US President Joe Biden, who has been so explicit about not getting directly involved in Ukraine, has unequivocally stated that the United States would come to Taiwan's defense if it was attacked by China. The reason is simple: From a US perspective, an independent Taiwan is essential to containing China and denying it direct access to the Western Pacific.<sup>4</sup> This asymmetry – neither Ukraine nor Taiwan has a defense agreement with Washington, but the United States would be ready to defend the latter – reflects Taiwan's higher strategic value.

China is aware of this and might be tempted to draw a simple parallel of its own from the Ukraine conflict: that raising the specter of nuclear war is a powerful tool to deter the United States from intervening in an invasion.<sup>5</sup> In Pyongyang's calculus, similarly, nuclear weapons represent the ultimate shield against any invasion.<sup>6</sup> This is a problem of global consequence.

Even without envisaging nuclear conflict, the worsening security situation in the Asia-Pacific is a difficult challenge for Europe: While Europeans continue to depend on the United States for their own deterrence and defense, they realize that the center of gravity for US and global security has shifted toward the Asia-Pacific.<sup>7</sup> And even as Europeans are sending military support to Ukraine and stepping up on territorial defense within NATO, they find themselves under pressure to bring at least a symbolic military presence to the Asia-Pacific to signal their commitment to the Free and Open Indo-Pacific.<sup>8</sup>

And yet, Europeans must resist the temptation to directly apply lessons from Ukraine and the transatlantic theater to the Asia-Pacific, even if Japan's Prime Minister Fumio Kishida warned that "Ukraine today may be East Asia tomorrow."9 Fighting a war in a maritime theatre like the Asia-Pacific requires a far greater set of military capabilities and planning than does action on the European mainland. Russia was readily able to amass ground forces along its own as well as the Belarussian border with Ukraine over the course of several months. Though Chinese forces practiced the encirclement and blockade of Taiwan,10 they cannot easily do so under wartime conditions: Taiwan is part of the "first island chain" lining China's coast, with US assets for military reconnaissance stationed close by. Should China bar foreign military vessels and aircraft from transiting the narrow Taiwan Strait,

- 1 "Troubled Waters around Taiwan," War on the Rocks, Podcast with Zack Cooper, Jessica Drun, Peter Mattis, and Ryan Evans, August 17, 2022, <a href="https://warontherocks.com/2022/08/troubled-waters-around-taiwan">https://warontherocks.com/2022/08/troubled-waters-around-taiwan</a> (Accessed August 24, 2022).
- 2 Jeongmin Kim, "Full text: How North Korea transformed its nuclear doctrine law", NK News, September 9, 2022; Ankit Panda, "South Korea's "Decapitation" Strategy Against North Korea Has More Risks Than Benefits," Carnegie Endowment for International Peace, August 15, 2022, https://carnegieendowment.org/2022/08/15/south-korea-s-decapitation-strategy-against-north-korea-has-more-risks-than-benefits-pub-87672 (Accessed August 24, 2022).
- 3 These two conflict hotspots stand out. Of course, the whole Asia-Pacific region is quite literally a powder keg, but territorial disputes such as between China and India or China and Japan, or military skirmishes in the South China Sea have far less potential to escalate into a fully-fledged war.
- 4 Bruce D. Jones, To Rule the Waves: How Control of the World's Oceans Shapes the Fate of the Superpowers (New York, 2021); Sarah Kirchberger "Eskalationsrisiken im Westpazifik Inwieweit berühren diese die Interessen der NATO?," SIRIUS (2021), 5(4), 346.
- 5 China's nuclear modernization and buildup already led analysts to speculate that Beijing aims to develop nuclear capabilities for "escalation management" and limited nuclear war in the Taiwan Strait; see: Tong Zhao, "China's silence on nuclear arms buildup fuels speculation on motives; Bulletin of the Atomic Scientists, November 12, 2021, <a href="https://thebulletin.org/2021/11/chinas-silence-on-nuclear-arms-buildup-fuels-speculation-on-motives">https://thebulletin.org/2021/11/chinas-silence-on-nuclear-arms-buildup-fuels-speculation-on-motives</a> (Accessed August 24, 2022).
- 6 Doug Bandow, "North Korea Needs the Bomb to Protect Itself From America," Foreign Policy, July 7, 2021, https://foreignpolicy.com/2021/07/07/north-korea-nuclear-weapons-united-states-deterrence/ (Accessed August 24, 2022).
- 7 "Remarks at the Shangri-La Dialogue by Secretary of Defense Lloyd J. Austin III (As Delivered)," June 11, 2022, <a href="https://www.defense.gov/News/Speechs/Speech/Article/3059852/remarks-at-the-shangri-la-dialogue-by-secretary-of-defense-lloyd-j-austin-iii-a">https://www.defense.gov/News/Speechs/Speech/Article/3059852/remarks-at-the-shangri-la-dialogue-by-secretary-of-defense-lloyd-j-austin-iii-a</a> (Accessed August 12, 2022).
- 8 As an example, Germany's air force participated for the first time in the multinational force deployment exercises by the Australian air force; see: Andrew Salmon, "Germany dips its toe deeper in Indo-Pacific waters," Asia Times, August 17, 2022, <a href="https://asiatimes.com/2022/08/germany-dips-its-toe-deeper-in-indo-pacific-waters">https://asiatimes.com/2022/08/germany-dips-its-toe-deeper-in-indo-pacific-waters</a> (Accessed September 9, 2022).
- 9 "Keynote Address by Prime Minister KISHIDA Fumio at the IISS Shangri-La Dialogue," June 10, 2022, https://japan.kantei.go.jp/101\_kishida/statement/202206/\_00002.html (Accessed August 12, 2022).
- 10 "Tracking the Fourth Taiwan Strait Crisis," Center for Strategic and International Studies (CSIS) China Power Project, updated August 19, 2022, <a href="https://chinapower.csis.org/tracking-the-fourth-taiwan-strait-crisis">https://chinapower.csis.org/tracking-the-fourth-taiwan-strait-crisis</a> (Accessed August 24, 2022).

4 No. 28 | September 2022

Conflict in Two Theaters?



it would initiate war right then and there. <sup>11</sup> Moreover, China may still be short of the amphibious capabilities needed to invade and conquer Taiwan. <sup>12</sup>

As Europeans assess the risk of conflict in the Asia-Pacific, this paper aims to warn against three possible misperceptions:

- That China and North Korea actually mean what they so loudly say;
- That the institutions and states around them are too weak to deter them;
- And that European engagement should focus almost exclusively on the United States.

### REVISIONIST SIGNALING IN THE ASIA-PACIFIC

China has stepped up its signaling in sync with its mantra of national rejuvenation by 2050 – a goal that includes unification with Taiwan.<sup>13</sup> Chinese aircraft conducted over 300 intrusions into Taiwan's Air Identification Zone between September 2021 and January 2022.<sup>14</sup> Similarly, China's military exercises in August 2022 aimed to demonstrate Beijing's "new normal" of assertiveness.<sup>15</sup> North Korea, in the meantime, is making less use of its conventional forces than it used to<sup>16</sup> but has accelerated its nuclear weapons and missile development campaigns. In 2022, the regime in Pyongyang oversaw a double-digit number of test events – approaching the record-setting intensity of 2016/2017 – to improve its new missile technologies.<sup>17</sup>

China and North Korea are thus both sending loud signals of revisionism. But these must be seen in context: China's belligerent rhetoric in large part reflects the domestic pressure under which the Communist Party is acting, with the 95th anniversary of the People's Liberation Army in August, President Xi Jinping's reelection scheduled for the party congress in October, and ongoing military reforms. All three elements have likely shaped the scale of China's military exercises in August, while the visit of US Congress leader Nancy Pelosi provided a convenient smokescreen.<sup>18</sup> China's maneuvers in the Taiwan Strait should be seen as political signals and operational probes, not as war rehearsals.19 That does not mean that the risk of war is zero, but Beijing was careful to announce its military exercises well ahead of time in order to avoid misperceptions. And the United States has been careful, too, by ordering its warships to "stay on station" in the waters east of Taiwan.<sup>20</sup>

North Korea likes to present itself as having a strong stomach for provocations. In fact, it has been careful to manage risks – by closely controlling, for example, where its missiles land.<sup>21</sup> The regime in Pyongyang has long emphasized that its nuclear weapons serve the purpose of deterrence and self-defense. Even its posture of early nuclear use and preemptive escalation mainly serves the purpose of deterrence.<sup>22</sup> North Korea's propaganda includes revisionist demands for reuniting the peninsula under Pyongyang's rule, but given that the regime's priority is to ensure its own survival, maintaining the status quo serves North Korea's interests best, as it does for South Korea, Japan, and the United States.

- 11 War in the Taiwan Strait would impede China from actual invasion of Taiwan as well as its own major ports from functioning; see: David Uren, "A blockade of Taiwan would cripple China's economy," The Strategist, August 8, 2022, <a href="https://www.aspistrategist.org.au/a-blockade-of-taiwan-would-cripple-chinas-economy">https://www.aspistrategist.org.au/a-blockade-of-taiwan-would-cripple-chinas-economy</a> (Accessed September 9, 2022)
- 12 Oriana Skylar Mastro, "The Taiwan Temptation: Why Beijing Might Resort to Force," Foreign Affairs July/August 2022, https://www.foreignaffairs.com/articles/china/2021-05-03/china-taiwan-war-temptation (Accessed August 12, 2022); Hans Binnendijk, Sarah Kirchberger and others, "The China Plan: A Transatlantic Blueprint for Strategic Competition," The Atlantic Council (March 2021), https://www.atlanticcouncil.org/wp-content/uploads/2021/03/The-China-Plan-A-Transatlantic-Blueprint.pdf (Accessed August 24, 2022), 72.
- 13 Elizabeth C. Economy, The Third Revolution: Xi Jinping and the New Chinese State (Oxford University Press, 2019).
- 14 Katharina Buchholz, "Chinese Air Incursions Into Taiwanese Buffer Zone Spike," Statista, August 5, 2022, https://www.statista.com/chart/24620/chinese-military-aircraft-entering-taiwans-adiz (Accessed August 19, 2022).
- 15 Bonny Lin and Joel Wuthnow, "Pushing Back Against China's New Normal in the Taiwan Strait," War on the Rocks, August 16, 2022, https://warontherocks.com/2022/08/pushing-back-against-chinas-new-normal-in-the-taiwan-strait (Accessed September 9, 2022).
- 16 Scott Snyder and See-Won Byun, "Cheonan And Yeonpyeong: The Northeast Asian Response To North Korea's Provocations," The RUSI Journal 156: 2 (2011), p. 74-81.
- 17 Elisabeth I-Mi Suh, "North Korea's Recent Missile Tests Illustrate its Nuclear Tactics," 9DASHLINE, June 30, 2022, https://www.9dashline.com/article/north-koreas-recent-missile-tests-illustrate-its-nuclear-tactics (Accessed August 26, 2022).
- 18 "The PLA at 95 and the Current Crisis in the Taiwan Strait: A Conversation with Roderick Lee," CSIS China Power Podcast, August 5, 2022, <a href="https://www.csis.org/podcasts/chinapower/pla-95-and-current-crisis-taiwan-strait-conversation-roderick-lee">https://www.csis.org/podcasts/chinapower/pla-95-and-current-crisis-taiwan-strait-conversation-roderick-lee</a> (Accessed August 26, 2022).
- 19 "The Military Dimensions of the Fourth Taiwan Strait Crisis," CSIS event, transcript, August 23, 2022, https://www.csis.org/analysis/military-dimensions-fourth-taiwan-strait-crisis (Accessed August 26, 2022).
- 20 The United States refrained from sending its warships to transit the Taiwan Strait as it had done in the 1995–1996 crisis; see: Thomas J. Shattuck, "America Should Walk the Walk in the Taiwan Strait," Foreign Policy Research Institute, August 26, 2022, <a href="https://www.fpri.org/article/2022/08/america-should-walk-the-walk-in-the-taiwan-strait">https://www.fpri.org/article/2022/08/america-should-walk-the-walk-in-the-taiwan-strait</a> (Accessed September 9, 2022).
- 21 There have been few instances when North Korean ballistic missiles landed in Japan's Exclusive Economic Zones, and only twice in 2017 did its missiles fly over Japanese territory.
- 22 See note 3.

Conflict in Two Theaters?

Military exercises may signal intent but should not be seen as an immediate precursor of action. In fact, neither China nor North Korea can overtly move to change the status quo without incurring immense costs. Nor would success be guaranteed. As a result, they are more likely to engage in gradual revisionism by means of cyber activities, disinformation campaigns, and coercive measures that fall short of the use of force. After all, China and North Korea are already at home in this grey zone of hybrid warfare.<sup>23</sup>

### SECURITY ARRANGEMENTS IN THE ASIA-PACIFIC

Defense alliances contribute to deterring violent revisionism because they increase the costs of an attack and make success more difficult or even impossible. NATO security assurances are assumed to be a major factor in Russia's decision to stop short of military conflict with the Baltic States. Following this same rationale, Australia, Japan, and South Korea are stepping up military exercises and deployments to strengthen their joint deterrence postures with the United States. Particularly Japan and South Korea seek to present the nuclear deterrence posture that Washington has extended to them as reliable.

The United States maintains a network of bilateral alliances and partnerships in Asia and the Indo-Pacific region. At first sight, this web of security arrangements seems rather loose, but in fact it compares favorably to NATO for two reasons. First, it has room to grow without having to overcome institutional hurdles: Just take the AUKUS arrangement, which put Australia, the United Kingdom, and the United States on track to tightening their defense relations and cooperation, including the joint development of strategic assets. Similar undertakings within EU and NATO frameworks involve far more actors and bureaucracy.<sup>24</sup> Second, flexible arrangements can help countries to sidestep fundamental disagreements: The

Quadrilateral Security Dialogue between Australia, India, Japan, and the United States functions quite well despite India's different approach toward Russia. The Quad recently extended cooperation to the field of maritime security and reconnaissance.<sup>25</sup> Even Japan and South Korea, despite deep-seated grievances on both sides, cooperate on security.<sup>26</sup>

Taiwan enjoys the United States' active protection against a Chinese invasion even without a formal defense arrangement. The same is true for Taiwan's relations with its neighbors, which are also likely to come to its aid as they have a vital interest in containing China. Japan and Australia accept that there is a high probability of becoming entangled in any conflict in the Taiwan Strait, given the US military assets deployed in both countries. Furthermore, Japan is worried that China could attack its remote Okinawa islands because of their proximity to Taiwan.<sup>27</sup> In contrast, the majority of US forces in South Korea would probably remain stationary to be available for contingencies on the Korean peninsula. Unlike a formal membership body like NATO, there is no hard dividing line in the Asia-Pacific between those who are protected and those who are not. Strategic ambiguity is a feature, not a bug.

## THE IMPORTANCE OF REGIONAL PLAYERS

In this web of relations and absence of clear obligations, each protagonist – however small – has the potential to spoil regional security arrangements, as the Solomon Islands' cooperation with China illustrates. But China, too, is struggling with the potential of countries in the region to spoil its plans. China is surrounded by frenemies – part friends, part enemies. Countries like Australia, Japan, and South Korea are engaged in a tug of war with China, wishing, on the one hand, to maintain good commercial relations with Beijing while trying to safeguard their

<sup>23</sup> Bonny Lin, Cristina Garafola and others, "Competition in the Gray Zone: Countering China's Coercion Against U.S. Allies and Partners in the Indo-Pacific," RAND Research Report (2022), <a href="https://www.rand.org/pubs/research-reports/RRA594-1.html">https://www.rand.org/pubs/research-reports/RRA594-1.html</a> (Accessed August 26, 2022); Sico van der Meer, "Provoking to Avoid War: North Korea's Hybrid Security Strategies," E-International Relations, May 22, 2021, <a href="https://www.e-ir.info/2021/05/22/provoking-to-avoid-war-north-koreas-hybrid-security-strategies">https://www.e-ir.info/2021/05/22/provoking-to-avoid-war-north-koreas-hybrid-security-strategies</a> (Accessed August 26, 2022)

<sup>24 &</sup>quot;Japan and NATO's converging strategic interests with Dr Tsuruoka Michito," IISS Japan Memo Podcast, August 2, 2022, <a href="https://www.iiss.org/blogs/podcast/2022/08/japan-and-natos-converging-strategic-interests">https://www.iiss.org/blogs/podcast/2022/08/japan-and-natos-converging-strategic-interests</a> (Accessed on August 12, 2022).

<sup>25</sup> Zack Cooper and Gregory Poling, "The Quad Goes to Sea," War on the Rocks, May 24, 2022, https://warontherocks.com/2022/05/the-quad-goes-to-sea (Accessed on August 12, 2022).

<sup>26</sup> Jessie Laufer, "Hitting Reset on Japan-South Korea Relations," The Diplomat, August 9, 2022, https://thediplomat.com/2022/08/hitting-reset-on-japan-south-korea-relations (Accessed August 26, 2022).

<sup>27</sup> Chang Ya-chun, "MOFA welcomes Japan's interest in Taiwan Strait peace," Taiwan News, September 9, 2021, https://www.taiwannews.com.tw/en/news/4283718 (Accessed August 26, 2022).

6 No. 28 | September 2022

Conflict in Two Theaters?



economic and military security on the other hand.<sup>28</sup> Moreover, Australia, Japan, South Korea, and Japan play an increasingly important role for security and defense in the region as they expand their military capabilities and step up on expenditure, planning, and posture. This is why the DGAP commissioned detailed reports on all four countries, with very short summaries presented here:

Australia is embracing its role in regional security. <sup>29</sup> Canberra has shifted its focus back to territorial defense since 2016 because of two insights: First, Australia's traditional advantage of being located at great distance from any potential adversary is being eroded by technological progress in weaponry; and second, China's assertiveness and military modernization now pose a direct threat to Australia. As a result, Canberra is acquiring strategic assets for deterrence and reconnaissance. It is also fostering local manufacturing capabilities and diversifying its defense relations.

Japan is grappling with its frontline status vis-à-vis China, North Korea, and Russia. The government appears set to transition the country toward a more assertive defense and deterrence posture as the ruling party's proposal to build up capabilities suitable for counterstrikes against an enemy's military assets illustrates. While close cooperation with the US defense industry remains crucial, Japan is pushing for more jointly developed and domestically produced systems. It is also diversifying its defense relations within the region.

South Korea is making headlines as a rising global arms exporter. Seoul has long nurtured its domestic defense industry to be able to research, develop, and manufacture a wide array of weapon systems without depending on overseas partners. Such defense industrial policies are part of South Korea's comprehensive force enhancement and defense reform pro-

gram. Seoul remains focused on North Korea as the key military threat but also looks at China when it speaks of "omni-directional challenges".<sup>31</sup> Given its location in a dangerous neighborhood, South Korea's joint deterrence posture and defense cooperation with the United States remain crucial.

Taiwan<sup>32</sup> remains focused on preventing escalation with China, deterring Beijing from using force, and defending itself should conflict erupt. Discussions evolve primarily around what type of capabilities Taiwan should buy or develop – whether to privilege large and showy capabilities for deterrence or smaller and more mobile assets for area denial.<sup>33</sup> China's most recent military exercises are likely to push the discussion toward strengthening the country's air defense systems as well as its coastal defense through asymmetric capabilities such as unmanned aerial vehicles.

#### HOW TO DEAL WITH CONFLICT IN THE ASIA-PACIFIC

How best to use these country analyses? Australia, Japan, South Korea, and Taiwan are key stakeholders in the Asia-Pacific. They have no interest in acting as spoilers for regional security, and they also try to keep other regional states from doing so. It is these regional stakeholders – in addition to the United States – which shape relations and thereby structures in the region. Each of the four is walking a tightrope vis-à-vis China in order to safeguard its national security interests, which makes for a complex web of economic, military, and political interests. So what can Europeans, given their limited resources and focus on the conflict in Europe, do to support stability in the region?

First, European governments need to dial down their military signaling. Joining exercises in the region invites counter-signaling and is counterproduc-

- 28 Patricio Giusto, "Australia's China Strategy Under the Labor Party," The Diplomat, August 5, 2022, https://thediplomat.com/2022/08/australias-china-strategy-under-the-labor-party (Accessed August 18, 2022); "Japan and NATO's converging strategic interests with Dr Tsuruoka Michito," IISS Japan Memo Podcast, August 2, 2022, https://www.iiss.org/blogs/podcast/2022/08/japan-and-natos-converging-strategic-interests (Accessed on August 12, 2022); Jina Kim, "China and Regional Security Dynamics on the Korean Peninsula," in: Korea Net Assessment: Politicized Security and Unchanging Strategic Realities ed. By Chung Min Lee and Kathryn Botto, Carnegie Endowment, March 18, 2022, https://carnegieendowment.org/2020/03/18/china-and-regional-security-dynamics-on-korean-peninsula-pub-81235 (Accessed August 18, 2022).
- 29 Lucie Béraud-Sudreau, "Country Report: Australia. A New Frontline State?" edited by Elisabeth I-Mi Suh, DGAP Report (September 2022).
- 30 Ryo Hinata-Yamaguchi, "Country Report: Japan. Defense Planning in Transition," edited by Elisabeth I-Mi Suh, DGAP Report (September 2022).
- 31 Jina Kim, "Country Report: South Korea," edited by Elisabeth I-Mi Suh, DGAP Report, forthcoming.
- 32 Sheryn Lee, "Country Report: Taiwan. Deterring, Denying, Defending," edited by Elisabeth I-Mi Suh, DGAP Report (September 2022).
- 33 Washington has long made the case for the latter and successfully; see: Bryant Harris, "US approves \$1.1 billion Taiwan arms sale," Defense News, September 6, 2022, https://www.defensenews.com/pentagon/2022/09/06/us-approves-11-billion-taiwan-arms-sale (Accessed September 9, 2022).



Conflict in Two Theaters?

tive if the objective is to reduce the risk of conflict and maintain relative stability within the Asia-Pacific region. Instead of engaging in military symbolism, Europe should call China out on the challenges it poses, as was done in NATO's latest Strategic Concept. A similar approach should be chosen for the threats issued by North Korea. This will prove more helpful, particularly if combined with leaving the door open for constructive engagement. To that end, Europe should also suggest measures that facilitate crisis communication and reduce risks of escalation.

Second, European governments need to deepen their economic and diplomatic relations with Asian-Pacific states. Interconnectedness helps both groupings of US allies to reduce their dependence on China. It will also protect them against the use of economic leverage and provide some deterrence against actual use of force.<sup>34</sup> While closer relations do create risks for European governments, making an active decision to embrace these stakes - rather than sending the occasional frigate or Eurofighter to the Pacific - increases the credibility of Europe's commitment to stability in the Asia-Pacific. NATO is already planning to increase issue-specific cooperation with its Asia-Pacific partners.35 The EU can similarly expand its bilateral cooperation with Australia, Japan, South Korea, and Taiwan on issues like the use of hydrogen energy, climate resilience, and cyber security.36 It could also engage its partners in an exchange on the risk of conflict and other aspects of military security.<sup>37</sup> Individual European states can follow suit. Finally, it would be desirable to also involve private actors for multi-stakeholder exchanges on science and technology.

Third, Europe's stakeholders – its governments and international bodies – need to engage in contingency planning. They should consider how conflict in the Asia-Pacific could erupt, how it could escalate,

and how NATO, the European Union, and individual European states would react.<sup>38</sup> As with Russia's invasion of Ukraine, policymakers in Europe need to consider deterrence failure and escalation in the Asia-Pacific. European stakeholders can harness their existing presence in the region and expand relations to other states in the region in order to update their situational awareness. Until now, Europeans have largely held this conversation amongst themselves and, within NATO, with the United States. A multi-stakeholder approach to scenario building and wargaming will allow for more complexity and help Europe's understanding of the conditions and repercussions of conflict in the Asia-Pacific.

All information and country reports can be accessed at https://on.dgap.org/3f35EBO

<sup>34 &</sup>quot;China's Economic Woes: A Conversation with Scott Kennedy," CSIS China Power Podcast, June 10, 2022, <a href="https://chinapower.csis.org/podcasts/chinas-economic-woes">https://chinapower.csis.org/podcasts/chinas-economic-woes</a> (Accessed August 26, 2022); "Is U.S. Support To Taiwan Substantive Or Symbolic?," War On the Rocks, Net Assessment podcast, August 18, 2022, <a href="https://warontherocks.com/2022/08/is-u-s-support-to-taiwan-substantive-or-symbolic">https://warontherocks.com/2022/08/is-u-s-support-to-taiwan-substantive-or-symbolic</a> (Accessed August 26, 2022).

<sup>35</sup> Peter K. Lee, Alice Nason and Tom Corben, "Managing Cross-Regional Expectations After the NATO Summit," The Diplomat, July 7, 2022, <a href="https://thediplomat.com/2022/07/managing-cross-regional-expectations-after-the-nato-summit">https://thediplomat.com/2022/07/managing-cross-regional-expectations-after-the-nato-summit</a> (Accessed August 18, 2022).

<sup>36</sup> NATO and the EU can strengthen their ties and facilitate private sector engagement without abandoning their One China policy.

<sup>37</sup> Céline Pajon and Eva Pejsova, "A Region of Flashpoints? Security in the Indo-Pacific," Centre for Security, Diplomacy and Strategy (CSDS) Policy Brief 15 (2021), https://brussels-school.be/sites/default/files/CSDS%20Policy%20Brief 2115 0.pdf (Accessed August 18, 2022).

<sup>38</sup> Hanns Günther Hilpert, Alexandra Sakaki and Gudrun Wacker, "Schwieriger Balanceakt: Die internationale Gemeinschaft und die Taiwan-Frage," Stiftung Wissenschaft und Politik, Podcast 2022/P 19, June 13, 2022, <a href="https://www.swp-berlin.org/publikation/schwieriger-balanceakt-die-internationale-gemeinschaft-und-die-taiwan-frage">https://www.swp-berlin.org/publikation/schwieriger-balanceakt-die-internationale-gemeinschaft-und-die-taiwan-frage</a> (Accessed August 12, 2022).



Rauchstraße 17/18
10787 Berlin
Tel. +49 30 254231-0
info@dgap.org
www.dgap.org

@dgapev

The German Council on Foreign Relations (DGAP) is committed to fostering impactful foreign and security policy on a German and European level that promotes democracy, peace, and the rule of law. It is nonpartisan and nonprofit. The opinions expressed in this publication are those of the author(s) and do not necessarily reflect the views of the German Council on Foreign Relations (DGAP).

DGAP receives funding from the German Federal Foreign Office based on a resolution of the German Bundestag.

#### Publisher

Deutsche Gesellschaft für Auswärtige Politik e.V.

**ISSN** 2198-5936

**Editing** Bettina Vestring

Layout Lara Bührer

Design Concept WeDo

Author picture(s) © DGAP



This work is licensed under a Creative Commons Attribution – NonCommercial – NoDerivatives 4.0 International License.