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Policy Background Paper

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Energy and Security in Asia

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INTRODUCTION

THE ongoing revolution in Asian energy consumption has interacted with shifting patterns of diplomatic alignment and a more fluid regional military balance to increase the risk of strategic competition between the region's established and emerging Great Powers.

China's and India's emergence as energy super-consumers operating outside the US-dominated security architecture has raised regional tensions in both Northeast Asia and South Asia over energy security. These tensions are likely to accelerate over time unless a concerted effort is made to institutionalize more effective energy cooperation at the bilateral, regional, and global levels.

Asian – and especially Japanese – energy security concerns worked during much of the Cold War to reinforce existing patterns of strategic alignment, thereby enhancing rather than diminishing regional stability.

The post-Cold War period has witnessed the rise of the Asian energy "super-consumers," which are not formally aligned with the US but have become increasingly dependent on access to imported energy supplies.

The emergence of these new Asian players in global energy politics has already raised regional tensions significantly. Substantial work is required at the bilateral, regional and global levels to realize more cooperative energy security policies and so avoid rising tensions in Asia.

ASIAN ENERGY STABILITY, 1972–1991

From the Shanghai communiqué through to the Soviet Union's collapse, Asia was vastly more stable than it had been throughout the immediate postwar decades. From the Korean War onwards, a Sino-US contest for influence had roiled East Asia. The termination of this contest after 1972 through the rapprochement between America, the People's Republic of China and Japan removed a major contributor to regional instability.

Following America's renewed engagement with China, its alliance with Japan stabilized relations between all three countries. This American primacy provided a "double reassurance" to China and Japan, simultaneously muting their suspicions towards one another while enhancing the three countries' anti-Soviet solidarity. US military power thereby provided East Asian states with the security necessary to pursue self-strengthening strategies predicated on their integration within a liberal global economic order.

Regional patterns of energy consumption and production further underwrote a more stable system. Central to Asia's energy order was Japan's status as the region's only fully industrialized nation, which relied for its development on uninterrupted and affordable access to imported energy services.

The oil shocks and the macro-economic dislocations they precipitated initially threatened to derail Japan's economic miracle, thereby potentially destabilizing an Asia that had become reliant on Japanese prosperity as both a stimulant of regional development and a guarantee against revived Japanese militarism. As it eventuated, however, post–oil shock energy concerns ultimately bound Japan more tightly into the regional order, thereby enhancing rather than diminishing strategic stability.

THE EROSION OF STABILITY, 1991–TODAY

The post–Cold War period, unfortunately, has seen the erosion of this fortuitous con-

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