# The persistence of the US-led alliances in the Asia-Pacific: an order insurance explanation

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## Abstract

Alliance persistence in the face of the disappearance of mutual threat or the deterioration of mutual threat perceptions between allies comprises the major concern of this article. This article argues that an alliance (whose primary threat-centric rationale has significantly diminished, if not disappeared) persists if two conditions are met: (i) the alliance serves as an essential arrangement for pursuing an 'order insurance strategy' (which is termed in this article as 'alliance for order insurance') and (ii) the allies invest for such benefits with arrangements to ensure alliance preservation against challenges that arise as a result of alliance mismanagement (which is termed in this article as 'insurance for alliance'). To test this argument, this article evaluates the persistence of the United States–Australia alliance in the post-Cold War period. Also, to achieve some basis for falsification, it explores the discontinuation of the United States–New Zealand leg of ANZUS since the mid-1980s and the United States–Philippines alliance during most of the 1990s.

# 1 Introduction

During the Cold War, the 'hub-and-spoke' alliance structure in the Asia-Pacific (with the United States as a hub, and Japan, South Korea, the Philippines, Thailand, and Australia as spokes) served as an instrument for balancing against a clearly designated communist-related threat. With the demise of the Soviet Union, alliance theorists predicted that it would be dissolved, because its primary rationale was no longer operative (Friedberg, 1993–94). This prediction was based on the realist argument that the disappearance of the mutual threat or the deterioration of the mutual threat perception between allies on which an alliance is predicated should lead to the discontinuation of the alliance, because a state's continued alliance association may make its partner more powerful relative to itself (Walt, 1997).

The hub-and-spoke system has been operative for six decades. Such duration is a rare exception in the overall history of alliance politics. Alliances have traditionally been short-lived. Ashley Leeds and Burcu Savun found that the average lifespan of 304 alliances formed between 1815 and 1989 (excluding ongoing alliances as of 2001) is 9.3 years (Leeds and Savun, 2007). Renate de Castro observes that 'most alliances in this century tend to break up after their *raison d'etre* has expired, i.e. the Triple Entente, the Triple Alliance, the Japan-UK alliance of 1905, and [sic] the Three Allied Powers of the Second World War and the Axis Powers of the Second World War' (de Castro, 2001).

Questions, then, arise: why do certain alliances survive the structural change following the reduction or elimination of the mutually perceived threat (e.g. the end of the Cold War)? Is it because preserving such alliances may in fact become a *status quo* phenomenon? Is it because some states are risk-averse, so that they do not want to make a change to the alliances that have worked in their favors? Or is it because alliances generate certain interests in relation to the emergence of a new order?

This article attempts to address these questions by applying the notion of alliance persistence. I define *alliance persistence* as the viable operation of an alliance even after its original purpose or rationale has diminished markedly or has been eliminated. For the purposes of this article, an alliance is defined as a formal agreement between states in which each commits to assisting a partner in the uncertain event of military conflict. This strict definition is necessary for a study of alliance persistence because

it is not especially puzzling for states to continue a security arrangement that does not bind them with some type of formal agreement. Thus, an alliance ceases to persist when the alliance treaty is actually terminated. Having said that, though, I treat an alliance not persistent if any of its allies substantially withdraws from the alliance's existing practices, even though the treaty is still nominally in effect. For example, the Sino-Soviet Treaty of Friendship and Alliance signed in 1950 was officially ended in 1980 when China refused to renew it. However, the alliance was regarded to have been dissolved on a *de facto* basis since the late 1950s, as the Sino-Soviet split led the two states to cut off their military cooperation.

In the following pages, I first review and problematize the literature that discusses the persistence of the US-led alliances in the Asia-Pacific. I then develop a theoretical framework which links alliance persistence to order-maintenance and order-building and apply it to the US-led alliances in the Asia-Pacific. At this point, the term that should be defined is *order*. The idea of order in international relations has been highly contested for most of the field's existence. For the purpose of this analysis, I adopt Martin Griffiths and Terry O'Callaghan's definition of order: 'a stable pattern of relations among international actors that sustains a set of common goals or purposes' (Griffiths and O'Callaghan, 2002). In the similar vein, I adopt David Lake and Patrick Morgan's definition of *regional order*. They define it as 'the mode of conflict management within the regional security complex' (Lake and Morgan, 1997).

It is argued in this article that, in a security environment where mutually perceived threats have deteriorated, an alliance persists if two conditions are met. First, the alliance serves as an essential arrangement for retaining or cultivating security arrangements to respond to an undesirable long-term security trend that may occur in the process of order-maintenance and order-building. However, the first condition itself is not sufficient to account for alliance persistence. As explained below, allies' interests regarding regional order are less likely to converge when there is no obvious mutually perceived threat than would otherwise be the case. Under these circumstances, intra-alliance management on various issues (such as burden sharing, division of labor within the alliance, host-nation support, and allocation of alliance instrumentalities) tends to be more contentious than it would be under a threat-centric security environment (Park, 2011a). In such a case, the very survival of an alliance is threatened if the alliance is not properly insured against strong domestic objections of

the populace to an alliance, even though it creates benefits in relation to order. Thus, the second condition is necessary. The allies introduce, cultivate, or retain arrangements to safeguard their alliances from challenges that arise as a result of intra-alliance mismanagement. I term this mechanism (i.e. an exchange between order insurance benefits and insurance costs) an *order insurance explanation* of alliance persistence.

To test the order insurance explanation of alliance persistence, this article evaluates the persistence of the United States–Australia alliance.[1] This alliance, indeed, constitutes a key test case for alliance persistence, as it has been the least threat-centric among the five US-led alliances in the Asia-Pacific. Contrary to the arguments of mainstream alliance theorists, it has survived well over a half century without a clear consensus about what mutual threats confront it. Yet the alliance does persist, and both American and Australian policy officials are usually quite ready to describe it as one of America's closest defense relationships. Therefore, its persistence constitutes a 'most-deviant case' to challenge theories on alliance persistence that involve mutually perceived threat.

To achieve some basis for falsification of the order insurance explanation of alliance persistence, this article examines the discontinuation of the United States–New Zealand leg of ANZUS since the mid-1980s and the United States–Philippines alliance during most of the 1990s. For an argument that order insurance factors lead to alliance persistence to be valid, its contra-positive argument that alliance discontinuation means the lack of the insurance factors should also be persuasive. The intensity of insurance factors that have been at play to facilitate the persistence of the United States–Australia alliance post-1991 should be found to be low, if not negligible, during the mid-1980s in the United States–New Zealand case and the period from 1992 through 1999 in the US-Philippine case, respectively.

Though this article confines itself to discussing only the three alliances, the findings of the case studies can be extended to the other alliances of the hub-and-spoke alliance structure that have weathered serious challenges to their existence that arose as a result of the decreasing mutuality of threat perceptions between allies at some point(s) in the post-Cold War

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1    The United States–Australia alliance refers to the United States–Australia leg of ANZUS, since the United States–New Zealand leg of ANZUS became *de facto* terminated in the mid-1980s.

period. In this sense, the article concludes with some policy implications about what these findings mean to the US-led alliances in the Asia-Pacific.

## 2 Alliance persistence: the main debates

With few exceptions, alliance theorists had paid little attention to the study of alliance persistence until after the collapse of the Soviet Union in 1991. However, as that event did not lead to the disintegration of NATO and the US-led hub-and-spoke alliance network in the Asia-Pacific, the concept of alliance persistence warrants greater attention, because the primary rationale of those alliances had previously been to contain communist-related threats.

In explaining alliance persistence after the end of the Cold War, the literature has focused on the following questions: If structural change following the reduction or elimination of a threat leads to changes in alliance rationales, does such a change still involve threat perceptions (remaining or new) or non-material elements? What are the additional functions of an alliance that continue to provide glue for alliance persistence? In this section, I review and problematize the existing literature addressing these questions with respect to the hub-and-spokes alliance network in the Asia-Pacific, setting the context for my own framework that attributes alliance persistence to order-maintenance and order-building.

### 2.1 Asset specificities and common identities

The literature on alliance persistence has focused mainly on NATO. In explaining the unexpected persistence of NATO after the end of the Cold War, constructivists and institutionalists argue that, during the Cold War, NATO generated important ideational factors (such as common identities and sense of community) and/or institutional features (such as sunk cost, inertia, institutional norms, and asset specificity) under a clear threat (Duffield, 1994–95; Wallander and Keohane, 1999). It is due to the production of those non-material elements that the alliances continue, according to them.

Though the literature on NATO's continuation is referential, it is less pertinent to the persistence of the US-led alliances in the Asia-Pacific. That is because during the Cold War, the alliances were different from NATO in that they were bilateral and less institutionalized, and the United States was more hegemonic. Despite these differences, some extend the

literature on the persistence of NATO to that of the US-led alliances in the Asia-Pacific, arguing that during the Cold War the alliances had also generated ideational factors and/or institutional features (Suh, 2000).

However, geopolitical trends in the Asia-Pacific after the end of the Cold War do not support approaches to the persistence of the US-led alliances based on asset specificities and common identities. Several factors are particularly noteworthy. First, the elimination of the ideological underpinnings of the Cold War has allowed previously suppressed Asian national identities to emerge. These newly emerged identities have often acted to change the states' threat perceptions that have been at work regarding the American allies and adversaries. For example, in the case of the United States–Republic of Korea (ROK) alliance between 1998 and 2008, the liberal political forces sought to de-legitimize South Korea's previous identity of the North as the *other* (Park, 2013).

Second, as mutually perceived threats that provided the clearest alliance rationale have diminished significantly or disappeared, regional allies have attempted to fix the unequal nature of their alliance operations with the United States. During the Cold War, the US-led alliances in the Asia-Pacific had been hierarchical, meaning that the United States was essentially the dominant power. It had provided 'security' in return for which its regional allies offered it 'autonomy' benefits (e.g. being granted military bases or military facilities) (Morrow, 1991). The disappearance of the Cold War threat, however, led US allies to contest institutional assets that still reflected strict alliance asymmetry. To maximize their alliance bargaining over the United States in the absence of a clear mutual threat perception, regional allies have resorted to imposing sovereign interests in ways that are at odds with many institutionalized practices of their alliances with the United States (including hosting American troops and military facilities). The institutional assets have often become sources of serious alliance conflicts, as in the case of the United States–Japan alliance in the mid-1990s and 2009/10. Therefore, asset specificities and common social identities do not sufficiently explain the persistence of the alliances.

## 2.2 Additional functions

If afore-mentioned approaches based on asset specificities and common social identities are not sufficient in explaining alliance persistence in the

Asia-Pacific, what is? One group of scholars has focused on additional functions of an alliance beyond those it was originally intended to fulfill (Gelpi, 1999). For this group, the additional functions have become sufficiently important at some point that the loss of the previously core function(s) does not bring about the dissolution of the alliance.

With respect to the US-led alliances in the Asia-Pacific whose primary purpose was to aggregate capabilities against a common external threat during the Cold War, such literature has mainly discussed two functions. First, alliances may function as sources of military and economic assistance. For instance, Kent Calder argues that the United States has provided a liberal trade market to allies such as Japan and South Korea during the Cold War, which contributed to their remarkable economic development (Calder, 2004). Second, alliances may also have utility regarding intra-allied relations. As previously noted, James Morrow argues that, in an asymmetric alliance, a strong and a weak ally maneuver between 'security' and 'autonomy' (Morrow, 1991). Such an alliance may function as a tool for the larger partner to control the smaller ally's strategic behavior and to pressure the latter to join its security initiatives by implying that the existing alliance relationship might otherwise be jeopardized. It may also function as a constraint against smaller allies' pursuing independent strategic postures at odds with the larger ally's security interests. For example, the United States–Japan alliance has served as a tacit but longer term restraint on Japanese remilitarization, which was dubbed 'keeping the cap on the bottle' (Christensen, 1999).

However, those functions are still insufficient to account for alliance persistence in the region. During the Cold War, the functions of the alliance typologies described above were predicated on mutually perceived threat. The United States provided its regional allies with security in return for them restraining themselves from pursuing independent policies at odds with US security interests and policies. Yet, if the United States is able to restrain regional allies when the security environment becomes less threat-centric, that is less because the United States provides security against specific threats to its regional allies, and more because regional allies find their alliance affiliation with the United States instrumental for some interests other than responding to a specific threat. What those interests are will be addressed in the next section.

In the same context, if the United States continues to extend commitments and resources to regional allies, what is most relevant in terms of

alliance persistence is what motivates the United States to do so. With respect to US motivations, John Ikenberry argues that the United States has underwritten various international institutions (including alliances) in order to make weaker states acquiesce to a US-led international order (Ikenberry, 2004).

However, ascribing alliance persistence to US leadership is still not completely persuasive. Contrary to Ikenberry's argument, the United States does not necessarily bind itself to institutions (Schweller, 2001), as the US decision to invade Iraq in 2003 without support from the United Nations graphically attests. Indeed, Stephen Walt points out that, '[i]nstead of favoring highly institutionalized, multilateral arrangements that can tame its power within a web of formal procedures, norms, and rules, the unipole will prefer to operate with ad hoc coalitions of the willing, even if forming each new arrangement involves somewhat greater transaction costs' (Walt, 2009).

Also, as elaborated in the next section, regional allies do not always converge with the United States on their perceptions of *regional* order. As Richard Betts points out, global unipolarity does not necessarily spill over into regions (Betts, 1993–94). Such differences between the United States and regional allies have, in fact, sharpened in the post-Cold War period on various issues, in contrast with the ideologically motivated suppression of divergent regional order perceptions that prevailed during the Cold War. Therefore, ascribing alliance persistence only to American leadership is not relevant to the current Asia-Pacific setting.

## 2.3 Threat substitution

In contradistinction to the previous approaches, a group of realists argues that an alliance outlasts the dissipation of the primary threat instigating it if allies have found or created another mutually perceived threat. Renato de Castro terms this development 'the reformulation of the alliance's threat perception or raison d'etre' (de Castro, 2001). In the context of threat substitution, analysts subscribing to this explanation point particularly to the persistence of an alliance as a hedging factor against a potential specific threat.

The hedging literature in the context of the Asia-Pacific usually regards the five US alliances in the Asia-Pacific as instruments for the competitive side of that strategy (i.e. realist-style balancing) against a rising China

(Manning and Przystup, 1999). For political factions within both the United States and its regional allies are prone to view Chinese power with intensifying apprehensions, the growing power of China is adequate justification for arguing that the United States and regional states should build in constraints to an intensifying Chinese regional threat. To such policy analysts or observers, the US-led alliances do have a certain value that could be exploited if China were to become more threatening or expansionist within Asia over time (Malik, 2006/07).

However, prior to recent actions of the US pivoting (rebalancing) to Asia since 2011, a potential Chinese threat had been less important than other factors in shaping any common alliance policies between the United States and its regional allies (with the possible exception of Japan). As will be elaborated later, regional allies entertained divergent perceptions of China as a geopolitical actor from those held by the United States. Consequently, various security analysts argue that, were the United States to ask its allies to come to Taiwan's defense in a future Taiwan contingency, their involvement in a future Taiwan contingency should not be taken for granted. They claim that whether it participates would depend on which country (China or Taiwan) initiates the conflict, and even if they were to come to the defense of Taiwan, the level of their commitments may not meet US expectations (Australian Parliament, 2006). For example, Australian defense analysts William Tow and Russel Trood have commented that 'it's important to note that Australia has no legal obligation to intervene. – The future health of our [Australia's] alliance with the US would no doubt be one key consideration. Our future relationship with China would be the other' (Tow and Trood, 2004). Under such circumstances, the United States has been increasingly supplementing the power projection of its forces from forward regional bases with new strategies emphasizing long-range strike capabilities and technological developments, thanks to the revolution in military affairs (US Department of Defense, February 2006). As a result, it has been reinforcing its military presence in its own territories such as Guam and Hawaii, and strengthening its operations at other outposts such as Diego Garcia (Bitzinger, 2006). The recent actions of the United States pivoting (rebalancing) to Asia since 2011 may tone down this trend. Yet, the role of hedging against a potential specific Chinese threat as a key component for sustaining alliance politics in the Asia-Pacific has been questionable, at least up until the events of 2011.

# 3 Order insurance explanation of alliance persistence

## 3.1 Alliance for order insurance

The reduction or elimination of a major mutually perceived threat (e.g. the end of the Cold War) may bring a structural change in the international security order. Yet, this does not necessarily guarantee a *status quo* order or lead to a more desirable one for a winning state or coalition. Thus, defenders of the order wish to prevent a new revisionist state or coalition from rising and filling the political vacuum that such power shifts may generate.

Under these circumstances, defenders of the order wish to insure their favorable order against non-demarcated or unspecified undesirability, even if they are not sure what they are insuring against (e.g. the nature of the rise of China or the direction of a Korean unification process). Therefore, states adopt an *order insurance strategy*, which I define as retaining or cultivating security arrangements to respond to an undesirable long-term security trend which may occur in the process of order-maintenance or order-building. This strategy becomes important even if a potential challenger to that order may not necessarily be technically classified as *specific*, because it may not be possible to anticipate it.

It should be noted that I use the term *order insurance* differently from other analysts, who use the insurance metaphor in relation to hedging against specific (potential) regional military contingencies such as a resumption of hostilities on the Korean Peninsula or the China–Taiwan conflict. In such usage, insurance operates in a *threat dimension*, as both allies view their alliance as a useful hedge against specific (potential) regional military contingencies. In contrast, order insurance does not presuppose a specific (potential) threat. That is, it does not involve conflicts over specific issues with specific other states. Insurance in an *order dimension* is an insurance against defaulting relative to *whatever* balancing or hedging strategy may be appropriate to implement at some point in the future, even though the question of who needs to be guarded against or why currently remains unclear. As an analogy, one practices various means to insure against long-term health problems, even though s/he cannot predict whether s/he would have any such problems and, if s/he would have any, whether it would be cancer, stroke, or some other disease.

Defenders of the existing order may retain or cultivate various arrangements as part of their order insurance strategies, including enhancing their

own power capabilities, facilitating regional integration through extensive economic interdependence, creating insurance regimes and so forth. For example, Robert Keohane argues that insurance-oriented regimes emerge to cope with uncertainties when 'control-oriented' regimes cannot function because actors cannot control their environment (Keohane, 1982). Alliances may also be utilized as an arrangement for an order insurance strategy. I term such an alliance as *alliance for order insurance.*

Alliances can serve that strategy when they reflect their members' interests in maintaining or enhancing their own and/or their partner's positions in a regional or global security structure. Especially, if a partner in an alliance is a strong offshore power, members of the alliance are more likely to put greater weight on their alliance with respect to an order insurance strategy. From the perspective of a weaker regional ally, an alliance with the strong offshore power enhances its status or influence in the region through establishing the offshore power's security position in the region and being a part of the alliance network led by the offshore power. The alliance thus gives the regional ally diplomatic leverage with other regional states that are not allies of the offshore power, in that non-allies must take the offshore power into consideration when they identify their security relationship with the regional ally. Also, an alliance may give the regional ally access to the offshore power's core strategic assets and community, which contribute to its responding to undesirable security trends in a more effective manner in accordance with the offshore power.

On the other hand, from the perspective of an offshore power, alliances facilitate order insurance interests by serving as a self-acclaimed badge of strategic legitimacy to remain active in the region and establish a pro forma rationale for it to involve itself militarily in the event that future uncertainties threaten to overwhelm regional states' own defense capabilities. At the same time, through the alliance, the offshore power facilitates regional allies' abilities to handle their own security problems with greater self-reliance, often on its behalf. As the offshore power exercises leadership through its alliances rather than as the primary actor, it 'averts the impulse to counterbalance' its power on the part of other regional actors (Sherwood-Randall, 2006).

I argue that even after the deterioration of its primary threat-centric rationale (i.e. responding to specific targets), an alliance is maintained regardless of there being no existing threat or in the face of whatever new threat may emerge if there are sufficient order insurance benefits integral

to the alliance alone. Alliances thus persist when they function to insure an existing order against an unfavorable long-term security trend to their members.

To illustrate, adopting Muthiah Alagappa's typology, I define an unfavorable regional order for the United States and its regional allies as being 'instrumental' one and a favorable regional order as being 'normative-contractual' or 'solodarist'.[2] To build and maintain their favorable regional order, US regional allies that are surrounded by untrustworthy powers (e.g. China and North Korea) have an interest in allying with the United States to ensure its role as an order insurer in the region, as the United States has no territorial disputes with any regional states and whose political and economic systems are transparent and market-driven (Mastanduno, 2002). Also, by allying with the United States, they enhance their diplomatic and security leverage in the region with respect to regional order-maintenance and order-building. On the other hand, the United States, which hopes to maintain a regional order that is based on its strategic predominance, has an interest in continuing its security presence in the region by allying with regional states that are unlikely to become challengers to its own power position (Nye, 1995). Also, through the alliances the United States keeps regional allies within the American strategic orbit and enhances their security positions so that they can assume a greater security role in the region, often one that comports well with Washington's own policies. Given these interests, the United States and its regional allies continue to preserve their alliances. It means that they maintain the alliances on their own merits notwithstanding whether a threat currently exists or in the face of whatever threat may emerge (China, North Korea, terrorism, etc.).

## 3.2 Insurance for alliance

Alliance perpetuation in the face of the deterioration of mutual threat perceptions between allies comprises the major concern of this article. I have so far argued that an alliance persists if its adherents find order insurance benefits from retaining their security ties to insure against a variety of

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2   Alagappa characterizes an 'instrumental' order as being the outcome of regional or international competition; 'normative-contractual' being encouraged by commercial liberalism preventing wars; and 'solidarist' being 'based on trust among the interacting units, their obligation to the community, and the rule of law'. See (Alagappa, 2003).

future challenges to stability and order. However, *alliance for order insurance* itself is not sufficient to account for alliance persistence. That is because, as noted before, allies' interests regarding regional order are less likely to converge when there is no obvious mutually perceived threat than would otherwise be the case. For example, whereas clear mutual threat based on ideological concerns may have resulted in divergent regional order perceptions being suppressed during the Cold War period, the elimination of the ideological underpinnings of the Cold War could well have led to those differences creating new tensions between the United States and its allies. The US concern in terms of global order as expressed in alliance politics can sometimes be at odds with its allies' regional security concerns. Galia Press-Barnathan observes that weaker allies fear entrapment in global issues about which they are less concerned than is the United States (Press-Barnathan, 2006). For example, the United States regarded the Iraq War in 2003 more seriously than did France and Germany in its vision of order regarding alliance politics. However, France and Germany feared becoming entrapped in the War. On the other hand, weak allies' primary focus is on their own regional security concerns. They fear abandonment on regional issues which are vital to their interests but are less so to those of the United States, according to her. Therefore, though allies work through how to reconcile differences between them on certain dimensions of regional order-maintenance and order-building, attempting to address concerns around both global and regional security dynamics can present additional problems.

Under these circumstances, intra-alliance management on various issues (such as burden sharing, division of labor within the alliance, host-nation support, and allocation of alliance instrumentalities) tends to be more contentious than it would be under a threat-centric security environment. In such a case, the very survival of an alliance is threatened if the alliance is not properly *insured* against strong anti-alliance sentiments sparked by such factors as the newly emergent national identities, unexpected alliance burdens, or unfulfilled alliance expectations that may result from alliance mismanagement (Park, 2011a). That said, if allies find order insurance benefits reflected within the alliance critical, they may introduce, cultivate, or retain arrangements to safeguard an alliance from various challenges that may arise as a result of alliance mismanagement. I term bearing the added costs or risks in order to maintain an alliance as *insurance for alliance.*

Insurance for alliance includes the following arrangements. First, an ally may attempt to insure its alliance by reconciling itself with its partner on issues critical to the latter's strategic interests (Park, 2011a). It can compromise its own policy stances or maintain a stance of strategic ambiguity on such issues. Second, an ally may insure an alliance by linking the intra-alliance relationship to its partner's non-alliance security agendas. This is especially evident when the latter's public perceives that its leadership does not make both ends meet in its alliance association with the former. For example, an ally may provide its partner with inducements, such as making concessions to terms of a free trade agreement, while attributing them to solidifying the material ground for their alliance. An ally may add legitimacy to certain of its partner's security policies by supporting them in the name of the alliance partnership. With associated benefits in non-alliance agendas, the partner can more effectively assuage domestic discontent over the alliance and persuade its public to tolerate the more controversial dimensions of alliance politics.

To note, insurance for alliance does not include paying the premium in order to ensure its partner's military support in the event of future security crisis. For example, some argue that Australia's military commitment to the Vietnam War in the 1960s or the Iraq War in 2003 was to ensure the US involvement against a future attack on Australian territory by some other country, unlikely though the scenario might be (Smith and Lowe, 2005). Yet, the term, insurance for alliance, is employed here differently from the usage that is predicated on reciprocal response to external threat. Insurance for alliance has more to do with reconciling *intra-allied* perceptions of regional order rather than with mutual alliance coordination against external parties. It operates by providing time or a breathing space for allies to respond to alliance challenges, especially when their respective approaches to regional order diverge.

It is important to point out that an ally's investment in an arrangement of insurance for alliance becomes meaningful only when its partner perceives it as such. Thus, at least three criteria should be satisfied for an arrangement to qualify as insurance for alliance: (i) the investing ally recognizes the arrangement as insurance for alliance; (ii) the arrangement should concern its partner's core security interest; and (iii) the ally invests in the arrangement, despite strong domestic criticisms or even though such investment is against its own short-term security interest (for its partner otherwise would not recognize it as insurance for alliance). Thus,
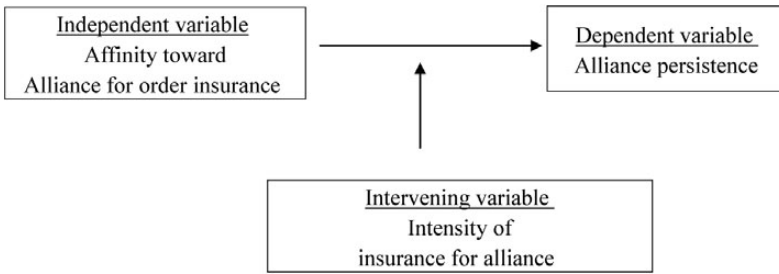
**Figure 1.** An order insurance explanation of alliance persistence

insurance for alliance is a purposive and intentional action to prevent an alliance from deteriorating beyond repair, and it is a key intervening variable between *alliance for order insurance* and *alliance persistence* (Figure 1).

  In sum, this article argues that an explanation of the persistence of an alliance in a security environment where mutually perceived threats between allies have deteriorated should include at least two key components: the alliance facilitates its members' order insurance benefits and, for the order insurance benefits extracted from the alliance, they pay premiums such as the ones described above as insurance for alliance. While alliance for order insurance is related to maintaining or building an order in relation to *non-alliance states*, insurance for alliance involves finding a nexus *between allies* in order to preserve an alliance.

## 4 Case studies

In the previous section, I have established a causal link from allies' affinity toward *alliance for order insurance* (independent variable) to alliance persistence (dependent variable), with the intensity of *insurance for alliance* being an intervening variable. I empirically test this framework with reference to the United States–Australia alliance. Then, I cross-compare the persistence of the United States–Australia alliance to the United States–New Zealand leg of ANZUS in the mid-1980s and the United States–Philippines alliance between 1992 and 1999. In both cases of alliance discontinuation, policy mismanagement aggravated strains on alliances already troubled by the lack of mutual threat perceptions. These two cases are applied to examine the contra-positive argument of this article's main argument: the discontinuation of an alliance occurs in the absence of a

mutually perceived threat if its members do not find order insurance bene-
fits or if they have not paid insurance costs.

## 4.1 The persistence of the United States–Australia alliance

During the Cold War, the United States–Australia alliance primarily func-
tioned as an American intelligence-gathering mechanism via the Joint
Installations at Nurrungar and Pine Gap and as a source of political
loyalty, where Australian forces joined their American counterparts to
prevent the spread of communism in Southeast Asia. It also provided
value-added resources for maritime patrolling on the broader Southwest
Pacific peripheries. Upon the collapse of the Soviet Union, the United
States–Australia alliance defied some observers' predictions of its impend-
ing demise (Brown, 1989). Rather, despite Australia's official assessments
that Australia is one of the most secure countries in the world (Australian
Department of Defence, 2000), the alliance has been strengthened in the
post-Cold War period. Especially, the Sydney Statement in 1996 strongly
reaffirmed the alliance relationship, confirming continued American util-
ization of Pine Gap and extensive upgrading of joint military exercises and
defense burden-sharing. The alliance has been enhanced to such a degree
that Australia has even been labeled the 'deputy sheriff' of the United
States by some commentators (Brenchley, 1999). Moreover, in November
2011, both states revealed a plan that US Marines will be stationed in
Australia for six months of every year. An initial force to be deployed will
number 250 in 2013, growing to 2,500 by 2016. Why does the United
States–Australia alliance continue, despite the lack of clearly enunciated
threat rationales by its members? It is argued here that order insurance
factors have been driving the exceptionally viable alliance relationship
between the United States and Australia.

*Alliance for order insurance.* As a state situated close to Asia, Australia has
been attempting to engage in significant ways with Asian states.
Nevertheless, this Anglo-Saxon country in Oceania feels most at home in
its relationships with Western states and has a history of wariness toward
its northern neighbors (Lyon, 2007). Australia's wariness is not directly
toward a certain threat, but is inherent in its geography, culture, and polit-
ical beliefs. Thus, Australia has a strong interest in being a part of the
Western security community, with which it shares a cultural heritage and

values such as democracy and market-driven economy, no matter whether there is a real or potential threat to Australian territory. William Tow and Henry Albinski count this desire to be part of a Western alliance as one of the factors contributing to the persistence of the alliance (Tow and Albinsk, 2002). Former Minister of the Australian Department of Defence Ian Sinclair also points out that the most significant benefit of ANZUS is the major link it provides between Australia and the principal member of the Western alliance (Australian Parliament, 1997). If the United States were to withdraw from the United States–Australia alliance, Australia would be left alone and would lose access to the United States (thus Western) intelligence, technology, and strategic communities that Australia finds crucial to enhancing its influence in Asian security matters as well as useful to reducing its defense spending.

Connecting the Western Pacific to the Western alliance system is important to Australia, as it considers 'great power balancing' crucial to its own security. Australia worries that great power contests may disturb 'the status quo of Western dominance', which it regards as conducive to its security interests (White, 2002). In this sense, what John Ikenberry argues is worth noting: 'The U.S.' "unipolar moment" will inevitably end. If the defining struggle of the twenty-first century is between China and the U.S., China will have the advantage. If the defining struggle is between China and a revived Western system, the West will triumph' (Ikenberry, 2008). This function of the alliance that contributes to bringing the Western security system into Asia via the United States becomes, therefore, critically important to Australia.

In addition to the fact that the United States–Australia alliance enhances Australia's status in tying itself to the Western security community, the alliance also provides Australia with another order insurance benefit with respect to Southeast Asia. Australia needs its alliance with the United States to maintain American influence in the region as an insurance against any attempt of other regional states to pursue undesirable exclusive *East Asian* regional order-building. This is because most regional states acknowledge the importance of Australia's close security ties with the United States (Rosecrance, 2006). Australia's inclusion into the East Asia Summit (EAS) exemplifies this. Several regional states pushed for Australia's admission into the EAS to check what were perceived to be Chinese attempts at utilizing it not as an order-building process so much as a relative gains' initiative to isolate the United States (Park, 2011b).

The United States–Australia alliance also generates order insurance benefits to the United States. The alliance enhances United States' status with respect to Southeast Asia and the South Pacific. In the post-Cold war era, the United States has been developing a greater appreciation for partnership-building, recognizing that, by enhancing allies' capabilities, it could act indirectly through them rather than conducting activities itself and alone and thereby also enable partners to do more for themselves (Przystup, 2007). What this means in terms of the United States–Australia alliance is that the United States assists Australia to handle regional problems on its own. Only when the problems degenerate into a situation that would overwhelm Australia's capabilities and undermine the US-led regional order would the United States intervene, utilizing selected US military assets deployed around the world.

The United States has been providing Australia with greater strategic resources under the framework of existing United States–Australia alliance arrangements such as highly classified intelligence, military technology, training opportunities, and extraordinary access to the broader US strategic community (Australian Department of Defence, 2009). Thus, the United States–Australia alliance relationship entails various bilateral arrangements that are not targeted as responses to specific threats, but are more generic to everyday defense operations. Enhancing Australia's independent standing helps the United States to maintain its influence in Southeast Asia and the Pacific as an offshore balancer by infusing Australia with greater capacity to shoulder part of the political and diplomatic burden on its and the West's behalf in the Asia-Pacific.

*Insurance for the alliance.* In the previous sub-section, it was argued that the United States and Australia derive order insurance benefits from their alliance, despite the lack of a threat-centric rationale. However, alliance for order insurance itself is not sufficient to account for the persistence of the United States–Australia alliance. Though the United States and Australia have common interests in managing the existing US-led global security order, their perceptions of order do not always converge in every aspect, as the frame of reference of the United States is clearly affected more by global developments while that of Australia lies at the regional level. While the United States and Australia cooperate to accommodate China in the region, they have varying judgments regarding the point at which China might become a threat to regional stability and order. Australia entertains

less fear of a rising China than does the United States and sees it primarily representing economic opportunity. China has been Australia's largest trading partner since 2007. The Chinese and Australian economies are highly complementary. China purchases raw materials from Australia and does not compete with it for agricultural products, which are Australia's main export items. Though Australia's 2009 Defence White paper raised concerns over the enhancement of China's military capabilities, a survey conducted by Australia's Lowy Institute in 2012 reveals that a majority of respondents (58%) assess that China is not likely to 'become a military threat to Australia in the next 20 years' (Hanson, 2012).

Accordingly, there are some areas where the United States and Australia have different positions on China. Among such differences, Australia's role in a potential China–Taiwan conflict has been the most controversial, as mentioned before. That is why Australian Foreign Minister Downer observed in 2006 that '[Australia's China policy] had its own dynamics' (Leaver and Sach, 2006). Given the divergent order perceptions on China's regional role between the two states, if Australia declares that it would not be involved in the contingency, the United States–Australia alliance would be sharply tested. From the Australian perspective, it is not easy to reconcile alliance loyalty with Australia's practical economic interests in China. From the American perspective, on the other hand, it is not easy to reconcile between its expectation of Australian assistance in the Taiwan contingency and Canberra's practical economic interests relative to China.

Under these circumstances, intra-alliance management (on such issues as burden sharing, division of labor within the alliance and alliance security dilemmas of entrapment and abandonment) could eventually become strained. Yet, the still tangible benefits of the alliance for order insurance have induced the United States and Australia to sustain that arrangement by cultivating measures that (will) help ANZUS to weather various challenges that (could) arise as a result of unintended policy mismanagement.

To illustrate, despite the political risks entailed in supporting the United States in its war against Iraq in 2003, Australia has assisted the United States in Iraq as a means of insuring their alliances with the United States. Though its contribution did not have a decisive operational impact on the battlefield, Canberra's participation in the war with combat troops at the initial stages and its backing of the post-war peace-building and reconstruction missions in Iraq have offered Washington greater legitimacy for

its Iraq intervention than would otherwise have been gained. Then-Prime Minister John Howard stated in his 2004 address to the Australian Strategic Policy Institute that 'I have no secret of the fact that the alliance relationship was a factor in the Government's decision to join the US-led campaign in Iraq' (Howard, 2004). As his remarks indicate, Australia's repeated deployments in support of US efforts in the Middle East over the past quarter-century have had the fundamental and abiding goal of its continuing to be regarded as a respected and faithful ally of the United States (White, 2006).

Australia has also joined the US Missile Defense (MD) research and development, despite strong domestic criticisms that such actions would make Australia clearly become 'a first-rate target in the event of hostilities between America and some other country' (Fraser, 2001). Australia has reconciled itself to the fact that MD is at the center of US post-Cold War deterrence and counter-proliferation strategies. By joining the US MD research and development, Australia seeks to show alliance loyalty to the United States, in addition to expanding interoperability and defense industrial cooperation with it. Such a compromise increases the United States' stake in its alliance with Australia.

The United States has also paid its insurance premiums. For instance, the United States assisted Australia in the latter's efforts to lead the International Force for East Timor (INTERFET) missions in late 1999. Australian security policy-makers perceived the country had a major stake in successfully convincing the United States to play a substantial role in that initiative. However, the United States was initially reluctant to engage militarily in East Timor, as it believed it would serve none of its core strategic interests to do so. The response of many Australians to such a US position was a sense that the United States was failing to provide the mutual aid required by ANZUS, in contrast with the ways they believed Australia had done so for the United States in the past (Howard, 2008). Some Australians came to doubt whether Australia's unwavering support of US security policies would ever be reciprocated by the United States. Such doubts raised concerns among some Australian policy-makers and analysts that ANZUS might no longer be of much value to their own country (Tow, 1999).

Amid 'speculation in Australia about a new ANZUS crisis' (Dibb, 2000), however, the United States changed its policy stance on the level of its participation in the INTERFET mission and actively participated in

the mission. Though it declined to send its own combat troops to East Timor, it provided approximately 5,000 US military personnel stationed on ships offshore of East Timor, within easy reach of Indonesia (Cross, 2003). As the then-opposition leader Kim Beazley argued, Australia could ask no more of the United States in a distant region (Beasley, 2001). Forthright US action, in return, 'reaffirmed the relevance of alliance ties with the US in the eyes of Australian security policy-planners' (Tow and Hay, 2001). The Joint Communiqué of the 1999 AUSMIN talks clearly expressed Australia's gratitude for such US support. In this context, the US reconciliation with Australia on an issue critical to the latter's strategic interests increased Australia's stake in the alliance, serving as insurance for the United States–Australia alliance against challenges that (might) arise as a result of alliance mismanagement.

In sum, the underlying alliance interests that override risks, costs, and ambiguity associated with retaining the United States–Australia alliance are insurance benefits for regional order-maintenance and order-building, as clearly stated in the Joint Communiqué of the 2011 AUSMIN talks. Those benefits have become sufficiently important to both allies, so that the loss of the original primary function of the alliance (i.e. disappearance of the Japanese or the Soviet threats) is made irrelevant. The United States–Australia alliance therefore persists because: (i) the alliance provides both the United States and Australia with a significant degree of insurance benefits in relation to their positional interests in the West and Asia, and multilateral order-building; and (ii) the two states pay premiums for such benefits by compromising their stances on certain security issues critical to their partner (e.g. the Iraq War and the US MD research and development in the Australian case, and the INTERFET in the American case).

## 4.2 Discontinuation of the United States–New Zealand leg of ANZUS: the lack of independent variable

The dissolution of the United States–New Zealand leg of ANZUS occurring between 1984 and 1987 is relevant to understanding the persistence of the United States–Australia alliance. In the 1980s, the Soviet Union did not have the capabilities to attack New Zealand militarily or to disrupt sea lanes of communications in the South Pacific that were vital to New Zealand for military or commercial purposes. Nor did New Zealand entertain serious fears about Southeast Asian states threatening it directly. New Zealand was

well outside the range of Southeast Asian air power. Moreover, Australia served as a buffer state between Southeast Asia and New Zealand. Such lack of mutually perceived threats that evolved between the United States and New Zealand in the 1980s was similar to that developing between the United States and Australia in the post-Cold War period. Given that, it is argued below that, unlike the United States–Australia alliance that provides both Australia and the United States with order insurance benefits, the United States–New Zealand leg of ANZUS failed to generate such benefits to either the United States or New Zealand.

New Zealand's refusal to grant entry of nuclear-powered or nuclear-capable ships and airplanes into New Zealand territory was at the center of the ANZUS dispute in the mid-1980s. Given that no nuclear conflict appeared to be looming in the South Pacific, the United States could have accommodated the Lange government's rather enigmatic anti-nuclear policies by continuing to maintain a viable alliance relationship on New Zealand's terms. However, the United States believed such a compromise would undermine the stability of the Western security order based on global US nuclear extended deterrence policy (Tow, 1988). At that time, roughly half its ships qualified as nuclear-powered or nuclear-capable vessels. The United States maintained a steadfast nuclear neither-confirm-nor-deny (NCND) posture on identifying which US ships and airplanes actually carried nuclear weapons throughout the world (Cutler, 1989). Once it had acquiesced to New Zealand, other allies in Europe or Asia might have attempted to follow suit. Concerns over this 'ripple effect' were extensive in Washington, because there were considerable anti-nuclear and anti-Western elements active within important various European and Asian allied states (Albinski, 1988). Thus, the continuation of the United States–New Zealand security relationships after New Zealand's refusal to grant to the USS *Buchanan* on an NCND basis would have undermined US-led order. Rather, by discontinuing the United States–New Zealand leg of ANZUS, the United States was able to avoid serious damage to its regional and global security order of extended nuclear deterrence. As US Ambassador to New Zealand Paul Cleveland reiterated in 1986, such a posture was the only option the United States had (Clements, 1988).

New Zealand also did not find sufficient order insurance benefits from the United States–New Zealand leg of ANZUS enough to maintain close alliance ties with the United States at the expense of the Lange government's anti-nuclear posture, which enjoyed high levels of domestic political

support. For New Zealand, the insurance for the favorable South Pacific order was its security tie with Australia, not that with the United States. As long as Australia maintained a good security relationship with the United States, and Australia was committed to defending Australia's northern approaches, New Zealand regarded the United States–New Zealand leg of ANZUS as less critical to regional security order maintenance (McKinnon, 1993). Andrew Mack indicates that it is this factor that was central to the two countries' differing evaluations of ANZUS (Mack, 1989). In other words, New Zealand had an alternative to assure its order insurance while it avoided paying substantive costs. Indeed, New Zealand sought close security relations with Australia during and after the ANZUS dispute of 1984–87 as an alternative order insurer to the United States.

Overall, the United States–New Zealand leg of ANZUS was terminated (*de facto*) in the mid-1980s due to the low intensity of the order insurance benefits it could generate. That said, there is no point in investigating whether the United States and New Zealand invested for insurance for the alliance in terms of alliance discontinuation.

## 4.3 Discontinuation of the United States–Philippines alliance between 1992 and 1999: the lack of intervening variable

I characterize the United States–Philippines alliance as not having been persistent between 1992 and 1999. In 1992, the Philippine Senate voted to close 23 American military bases in the Philippines (including Clark and Subic, the two largest installations). The 1951 US–Philippines Mutual Defense Treaty (MDT) itself was never abrogated, but its effect became nominal without any viable military exercises. This hiatus continued until 1999, when the two states rejuvenated the alliance via the Visiting Forces Agreements.

With no specific external security threats confronting the Philippines after the Vietnamese pulled out of Cambodia in 1989 and the Soviet Union collapsed in 1991, the United States had utilized military basing operations in that country to coordinate forward logistics, repair, intelligence, and communications (Austin, 2003). The Philippines, on the other hand, had traditionally viewed the bases as a venue for US economic and military aid. Yet, a benign security environment in the sub-region, combined with Washington's ongoing fiscal difficulties and growing trade deficits, led to an American disinterest in permanently maintaining a force

presence in the Philippines if it could do so only through providing a large sum of economic and military aid to that country (de Castro, 2001). The volcanic eruption of Mt Pinatubo compounded this disinterest, leaving Clark air base, the largest US air base, dysfunctional and Subic, the largest naval base, requiring significant repair. This development provided the impetus for the two states to discuss terms for a phase-out of US forces during the negotiations conducted between 1990 and 1991. After tedious and emotional negotiations, the two allies signed a new basing agreement in June 1991, but the nationalistic Philippine Senate failed to ratify it in September 1991. This resulted in the rapid closing of all 23 American military bases in the Philippines in 1992.

However, neither ally intended to see any such phase-out leading to the suspension of viable alliance relations. During the basing renewal negotiations, the US officials maintained the stance that the MDT should be decoupled from the Military Base Agreement. They desired to continue US port calls for servicing and refueling and to conduct viable military exercises with the Philippines even after the return of key bases. The Philippines also wanted the United States to continue to use Philippine military facilities on the basis of paying for services rendered (Piazza, 1991).

A question, then, arises: despite the lack of a mutually perceived threat, why did both states hope to maintain a viable alliance? This question is answered here by arguing that both Washington and Manila deemed the United States–Philippines alliance relevant for order insurance in Southeast Asia in the 1990s. Unlike the case of the *de facto* termination of the United States–New Zealand leg of ANZUS, the suspension of the United States–Philippines alliance between 1992 and 1999 did not result from the lack of order insurance benefits.

In the 1990s, the United States had an interest in enhancing the Philippines' status in Southeast Asia as a democratic capitalist country. Developing a self-confident Philippine economy and democracy was important to the United States, because it could be an exemplar to other ASEAN states for liberalizing their own economic and political institutions more rapidly (Neher, 1996). But such a US vision was challenged by 'real-world' impediments. In the early 1990s, unlike other ASEAN countries, the Philippines still had a viable communist party (Neher, 1996). Muslim separatist groups also remained prominent. The Philippine government confronted 40 active fighting fronts containing about 19,000 insurgents (Piazza, 1991). Washington, accordingly, was worried that the Philippines' political

and economic development as a viable market-driven democracy would be significantly undermined. By the mid-1990s, the United States was growing more worried about Islamic fundamentalists operating in Mindanao, fearing that the island and large parts of peninsular Southeast Asia could be more strongly influenced by such Islamist groups (Bello, 1998). The Philippine government was incapable of simultaneously confronting insurgents on its own and paying attention to external defense. The slow growth of the Philippine economy forced the country's government to make hard choices over how to fund security planning, operations, training, and doctrine of the Armed Forces of the Philippines (AFP). Under these conditions, Washington believed that only viable United States–Philippines alliance relations could allow the Philippine government to focus on the more immediate internal problems (e.g. domestic insurgents and poverty) and to develop democracy.

The Philippines also had an interest in retaining a viable United States–Philippines defense alliance in the context of supplementing sub-regional multilateral order-building. The Philippines, along with other Southeast Asian states, increasingly attempted to deal with regional security problems within the framework of ASEAN. It did so by supporting Thailand's initiative at the ASEAN post-ministerial conference in 1992 to forge a new mechanism for discussing security issues at ASEAN meetings, subsequently known as ARF in 1994. However, multilateral security approaches were generally untested in Southeast Asia. Considering the fact that it would take time for the ARF to contribute significantly to regional security, the Philippines calculated that a viable United States–Philippines alliance relationship (along with the United States–Thailand alliance relationship and the United States–Singapore security partnership) would provide a sufficient basis to allow the United States to help address Southeast Asian security issues (Tow, 2001). That is, the Philippines had an order-centric interest in maintaining US influence in the sub-region as a hedge against disadvantageous side effects or downside risks that might occur in the process of pursuing multilateralism. A viable United States–Philippines alliance relationship could have served as a key insurance mechanism in the 1990s.

Order insurance benefits themselves, however, were not sufficient for alliance maintenance because of policy challenges that arose as a result of alliance mismanagement (i.e. the failure of the new bases agreement in 1991 and the abrupt withdrawal of US forces from the Philippines in 1992)

and nationalism and anti-American sentiments among Filipinos. Under such circumstances, both allies had to pay premiums for insurance for the alliance to salvage the alliance.

Nevertheless, the Philippines failed to reconcile itself with the US strategic interests of securing access to the Philippine military facilities (Park, 2011a). After the American forces departed from the Philippines in 1992, the United States still hoped to have access to Philippine military facilities in order to utilize them for forward logistics, repair, intelligence, and communications. The Pentagon believed that potential replacement sites were widely scattered and operationally less efficient (Piazza, 1991). However, the significant anti-Americanism among Filipinos prevented the Ramos government from granting the United States extensive strategic access to Philippine soil. The United States, instead, negotiated arrangements for strategic access with Singapore, Thailand, Indonesia, Brunei, and Malaysia (Mauzy and Job, 2007). Among them, Singapore was particularly cooperative with the Americans, as a result of which Singapore has become one of the closest strategic partners of the United States. If the Ramos government could have managed to grant the United States extensive access to Philippine military facilities despite the strong domestic objections, the alliance would have been viably operative during most of the 1990s.

The United States also failed to provide adequate incentives for the Philippines to remain positive about preserving the alliance. To the Philippines, US economic and military aid was essential for its economy and force modernization. For example, though a defense modernization bill was passed in 1997, the lack of actual financial resources resulted in little real improvement in the operational capability of the AFP (Storey, 1999). Yet, Washington could not meet the Philippines' expectation for a large sum of economic and military assistance. In addition to its own economic difficulties, the United States had to divert its military aid to eastern European and Latin American states to help them stabilize their emerging democracies and fight drug trafficking (de Castro, 2001). US military aid appropriations for the Philippines dropped from USD 190 million in 1991 to USD 35 million in 1992 and to USD 876,000 in 1994. Total assistance was only around USD 1.2 million each year between 1994 and 1998.[3] If the United States had provided substantial economic and military aid to

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3    These figures are taken from 'US Military Aid Appropriations for Philippines for 1990–2003', US Security Assistance Database, Federation of American Scientists at http://www.fas.

the Philippines, it could have helped the Ramos government assuage domestic discontent over the alliance (Park, 2011a). Had that been the case, the Ramos government could have justified granting the United States extensive strategic access to its military facilities with these associated benefits in non-alliance agendas.

Such mutual lack of investment for insurance for the alliance led to the suspension of the United States–Philippines alliance between 1992 and 1999, even though the alliance generated order insurance benefits to the United States and the Philippines. The suspension of the United States–Philippines alliance during most of the 1990s illustrates that insurance for alliance is clearly at play to facilitate alliance persistence.

# 5 Conclusion

This article has argued that aggregating capabilities to balance or hedge against a specific threat, long considered by many theorists to be the primary basis for alliance persistence, is not a necessary condition for an alliance to persist. Instead, once originating threat-centric rationales of the alliance have disappeared, order-centric rationales can assume this role, playing an increasingly stronger role in a more fluid regional and international security environment and one more dependent on successful order-maintenance and order-building.

Though this article confines itself to discussing only the three alliances, the findings of the case studies can be extended to the other alliances of the hub-and-spoke alliance structure that have weathered serious challenges to their existence that arose as a result of the decreasing mutuality of threat perceptions between allies at some point(s) in the post-Cold War period. For example, though the North Korean threat has served, and still serves, as a main source for holding the United States–ROK alliance together, the order insurance explanation can be utilized to account for why the United States–ROK alliance had survived a significant reduction in the mutual threat perception over North Korea held by Washington and Seoul between 1998 and 2008 – a factor that traditional theorists insist constitutes the pre-requisite glue for alliance politics (Park, 2013).

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org/ and "Foreign Assistance, 1946–2011', US AID at http://gbk.eads.usaidallnet.gov/data/ detailed.html (16 June 2013, date last accessed).

In the same vein, though the intensifying Chinese military threat may justify the continuation of the United States–Japan alliance, the order insurance explanation can also be utilized to explain why the alliance has endured in spite of serious disputes between the two states over the US Marine Corps presence in Okinawa in the mid-1990s and 2009/10. These disputes contributed to Japanese Prime Minister Hatoyama's stepping down from his position after reneging on his 2009 election pledge to renegotiate the 2006 agreement with the United States that called for the closing of the United States Okinawa Marine base, Futenma. His decision cannot be explained only by the potential Chinese threat.

Ascertaining why an alliance persists has implications for policy-makers, because motivations identified for the persistence of an alliance may influence them to judge whether they should support or oppose an alliance. For example, if an alliance persists due mainly to the prolonging effects of asset specificities or threat-originated common social identities, and thus the persistence is perpetuating a myth of threat or is a delayed reaction to ultimate dissolution, they may consider ending the alliance. This is particularly true if the continuation of the alliance incurs excessive costs. On the other hand, if the alliance persists due to substantial interests reflected within it, it would be reasonable for them to support the preservation of the alliance unless there is an alternative security arrangement that can realize those interests in a more effective way. A case in point is the US-led hub-and-spoke alliance network in the Asia-Pacific. If the US-led alliances in the Asia-Pacific provide both the United States and its regional allies with tangible order insurance benefits that cannot be obtained through other security arrangements, they may be well advised to uphold the continuation of the alliances unless and until a more viable security arrangement becomes available in the region.

The findings of this article also have implications for policy-makers of the hub-and-spoke alliance network in dealing with their alliance partners. That is because not only are the *ends* of alliance persistence identified (e.g. order insurance benefits), but also the *means* (insurance for the alliance). To reiterate, those means include a state reconciling itself with its partner on issues critical to the latter's core strategic interests and linking the intra-alliance relationship to its partner's non-alliance security agendas. These findings provide policy elites with specific criteria that can be applied when they engage in security relations with their ally.

## Acknowledgements

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