

**Asan Report Release:
“An Indo-Pacific Allied Shipbuilding Enterprise”**

SEOUL, January 24, 2025 – Dr. Peter K. LEE, research fellow in the Center for Regional Studies at the Asan Institute for Policy Studies, he published a new Asan Report, titled “An Indo-Pacific Allied Shipbuilding Enterprise.”

The Asan Report examines the potential for U.S. shipbuilding cooperation with Indo-Pacific allies and partners, such as South Korea, Australia, Japan, and the Philippines.

First, it outlines the scale of China’s naval and commercial shipbuilding challenge to the Indo-Pacific’s current maritime balance of power.

- China today has the world’s largest navy, with over 370 ships and submarines compared to 297 for the United States.

Second, it identifies key sources of American shipbuilding decline. Today, all U.S. naval shipbuilding programs are behind schedule while American commercial shipbuilding is almost nonexistent. One problem in particular is outdated protectionist legislation such as the Buy America Act and Jones Act which has stifled competition in commercial and naval shipbuilding.

Third, the report examines U.S. efforts to rebuild naval and commercial shipbuilding, including by the executive and legislative branches, the U.S. Department of Defense and U.S. Navy, and industry and organized labor.

Finally, the report examines how a collective shipbuilding and sustainment enterprise in the Indo-Pacific could be created.

1. The first pathway is to expand ship maintenance, repair, and overhaul (MRO) in allied shipyards. This expands on recent contracts with Korean shipbuilders as part of the DOD Regional Sustainment Framework as well as expanding the precedent set by the 2024 AUKUS amendment to United States Code §8680 enabling submarine sustainment.
2. The second pathway is to promote new allied investment both into under-utilized U.S. shipyards and joint investments into Indo-Pacific shipyards such as in the Philippines to enable MRO work.
3. The third pathway is to move beyond "battle force ship" definitions to take advantage of the rapid manufacturing of uncrewed vessels to offset Chinese numerical superiority and alleviate workforce shortages.

4. The fourth and final pathway is to lay the legal groundwork to enable AUKUS-like allied manufacturing of auxiliary support ships as well as surface combatants such as frigates and destroyers.

Dr. Lee argues that “the Asan Report contributes new insights into how allied shipbuilding and sustainment could realize its full potential to catch up to China and uphold a favorable maritime balance of power in the decades to come.”

The Issue Brief is available for download at: <http://en.asaninst.org/?p=57544>

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About the Asan Institute for Policy Studies

The Asan Institute for Policy Studies (<http://en.asaninst.org/>) is an independent think tank that provides innovative policy solutions and spearheads public discourse on the core issues in Korea, East Asia and the world. Our goal is to assist policymakers to make better informed and mutually beneficial policy decisions.