PacNet Number 28

Pacific Forum CSIS

Honolulu, Hawaii

July 13, 2001

Comparative Connections July, 2001

The <u>July 2001 issue of *Comparative Connections*</u>, a quarterly electronic journal on East Asian bilateral relations, is now available online.

Regional Overview: Bush Asia Policy Slowly Taking Shape by Ralph A. Cossa President, Pacific Forum CSIS

The Bush administration's Asia policy is slowly taking shape and, as expected, it shows a great deal of continuity despite some changes in emphasis and approach. Sino-U.S. relations are gradually recovering from the tailspin generated by the EP-3 collision and President Bush's comments about doing "whatever it took" to help Taiwan defend itself. The completion of the Korea policy review resulted in a renewed U.S. commitment to the ROK's Sunshine Policy, and the U.S.-DPRK Agreed Framework, plus a willingness to engage in serious discussions with Pyongyang. Unlike his meeting with Kim Dae-jung, which was criticized for not being supportive enough toward an Asian ally, Bush's shirt-sleeve summit with Japan's Prime Minister Koizumi Junichiro was criticized for brushing too much under the rug as the two agreed on just about everything. Meanwhile, administration policy regarding regional multilateral initiatives, while not fully clear, is also beginning slowly to emerge. http://www.csis.org/pacfor/cc/0102Qoverview.html

U.S.-Japan Relations: Koizumi Steals the Spotlight by Brad Glosserman Director of Research, Pacific Forum CSIS

The surprise victory of maverick Koizumi Junichiro in April has transformed Japanese politics - or so it seems. It is still unclear whether the new prime minister's tenure marks the beginning of a new era or whether he is benefiting from collective relief after the departure of the gaffe-prone Mori Yoshiro. It may not matter. Koizumi's stratospheric approval ratings have given Japan a confidence and an image that has transformed domestic and international perceptions of his government. There is hope that Tokyo can tackle the structural problems that have dogged its economy for a decade. Fears that Japan would prove to be a reluctant partner as Washington tried to strengthen the mutual security alliance have also largely vanished. And yet ... doubts persist. For all the talk of reform, Koizumi has been short on deeds - or even concrete proposals. The real test will come after July's Upper House elections, when the government has to put flesh on the bones of its policies. Only then will we discover if Japan has entered a new era.

http://www.csis.org/pacfor/cc/0102Qus_japan.html

U.S.-China Relations: Mid-Air Collision Cripples Sino-U.S. Relations by Bonnie S. Glaser Consultant on Asian Affairs

As expected, U.S.-China relations were strained in the second quarter of 2001 as a result of U.S. approval of a robust arms package for Taiwan, a three-day transit visit to New York by Taiwan President Chen Shui-bian, and Bush administration fervor for developing missile defense systems. What took the two countries by surprise, however, was the April 1 accidental collision of a Chinese fighter with a U.S. Navy reconnaissance plane 60 miles from China's coastline. The handling of the incident created negative feelings and stoked nationalist sentiment in both countries. Its impact on the bilateral relationship still lingers. The collision stalled progress in bilateral relations, except in the economic realm. In fact, the only bright spot was the resolution of issues holding up China's entry to the World Trade Organization.

http://www.csis.org/pacfor/cc/0102Qus_china.html

U.S.-Korea Relations:

Good Sense in Washington, A Big Question Mark in Pyongyang by Donald G. Gross

Attorney at Law, Kim & Chang Law Office

This quarter opened with questions about the direction of diplomacy on the Korean Peninsula. As the U.S. reviewed its policy toward North Korea, the South worried that the suspension of inter-Korean talks - ordered by Pyongyang until the U.S. policy review was complete - could become permanent. North Korea contributed to the chilly diplomatic atmosphere by threatening to drop its ban on missile testing or to pull out from the 1994 Agreed Framework. By early June, the direction of the Bush administration's policy became clear, Washington was ready to "undertake serious discussions" with Pyongyang on outstanding security issues, including missiles and North Korea's conventional force posture. While the North agreed to pursue the U.S. offer of talks, Kim Jong-il continued to avoid making any commitment on a return summit visit to South Korea, leaving the question of how far Pyongyang is willing to go to settle issues that are crucial to future peace and stability.

http://www.csis.org/pacfor/cc/0102Qus_skorea.html

U.S.-Russia Relations:

Bush at Ljubljana: No Reagan at Reykjavik by Joseph Ferguson

Researcher, The Johns Hopkins School of Advanced International Studies

During their June 16 summit, Presidents Bush and Putin dramatically improved the general tone of U.S.-Russian relations. While the first quarter witnessed an increase in hostile rhetoric, the second was a time of verbal reconciliation and promises of a constructive relationship. The word "partnership" even crept back

into the dialogue. However, the summit must have been a major disappointment for those who expected more substance and fewer atmospherics. The five major issues in the bilateral relationship are national missile defense, NATO expansion, freedom of the press in Russia, the war in Chechnya, and economics, seemingly in that order. This indicates that Russia continues to be obsessed with Cold War issues and the U.S. has perhaps written off Russia as an important nation beyond the clout delivered by its nuclear arsenal.

http://www.csis.org/pacfor/cc/0102Qus rus.html

U.S.-ASEAN Relations:

Wanted: More Attention from the United States by Lyall Breckon

Senior Analyst, CNA Center for Strategic Studies

U.S. relations with Southeast Asia took second place during the quarter to issues elsewhere. ASEAN governments welcomed statements that the U.S. would pay more attention to Asia, including specifically the ASEAN region, and expressed the hope that U.S. involvement would expand. Disappointing economic news set back hopes for an accelerating recovery to earlier growth levels. Singapore's Prime Minister Goh Chok Tong, in a June visit to Washington, made a plea for the U.S. to help in finding solutions to Indonesia's disarray, urged that it manage relations with China in ways that would ensure stability, and warned that if the U.S. did not give greater weight to Southeast Asian concerns, it could find itself with diminishing influence in East Asia. As Indonesia went from crisis to crisis in its unsteady political evolution, its friends, including the United States, found few avenues for constructively influencing its development. http://www.csis.org/pacfor/cc/0102Qus_asean.html

China-ASEAN Relations:
Making the Rounds
by Carlyle A. Thayer
Professor, Southeast Asia Security Studies Asia-Pacific Center
for Strategic Studies

China's relations with Southeast Asia during the second quarter witnessed the normal pattern of high-level visits. In April, PRC Vice President Hu Jintao traveled to Hanoi and Fu Quanyou, chief of staff of the People's Liberation Army, visited Yangon. The following month Li Peng, chairman of the National People's Congress, paid his first visit to Cambodia and Brunei, while Premier Zhu Rongji journeyed to Thailand. The deputy prime minister of Laos and the king of Malaysia both visited Beijing, as did the supreme commander of the Thai Armed Forces and the Thai minister of defense. But Chinese fishing vessels continued to poach in waters claimed by the Philippines and Vietnam, triggering at least one shooting incident. With the exception of Chinese South China Sea naval activity, it was business as usual this past quarter.

http://www.csis.org/pacfor/cc/0102Qchina_asean.html

China-Taiwan Relations:

A Fragile Calm by David G. Brown

Associate Director, Asian Studies The Johns Hopkins School of Advanced International Studies Cross-Strait relations have been buffeted by strains in recent months (Washington's announcement of a large arms sales package to Taiwan, President Bush's statement that he would do "whatever it took" to help Taiwan defend itself, President Chen Shui-bian's meetings with congressional leaders during transit visits to the U.S., and former President Lee Teng-hui's visits to Japan and the U.S. Unlike 1995, these events have not led to any increase in cross-Strait tensions. While relations have remained stable and calm, former President Lee's public support for Chen will raise concerns in Beijing and potentially reignite cross-Strait tensions. Economic relations continue to develop, despite the global slowdown. However, economic and political problems have derailed the expected liberalization of cross-Strait investment restrictions.

http://www.csis.org/pacfor/cc/0102Qchina taiwan.html

North Korea-South Korea Relations: States Stalled: Business as Usual? by Aidan Foster-Carter Leeds University, UK

The weather forecast for the Korean Peninsula is, as ever, changeable. In recent years the North has swung between extremes of flood and severe drought. Politics oscillates similarly. For half a year after the June 2000 first ever North-South summit, inter-Korean contacts developed so fast that this journal created a slot for a burgeoning new bilateral relationship. Yet a year after that breakthrough, the peace process appears sadly stalled. The past quarter saw almost no formal contacts. None of the several channels that had been opened - ministerial talks, family reunions, rail and road reconnection, economic negotiations, and more - convened as such. Neither was there progress on agenda items thus far unfulfilled, above all a return visit to Seoul by Kim Jong-il. Indeed, in June two new twists - Northern incursions into Southern waters, and a refugee family's bid for asylum highlighted obstacles to better ties. North Korean media also reverted to attacking Seoul, albeit with less vituperation than directed at the U.S.

http://www.csis.org/pacfor/cc/0102Qnk_sk.html

China-Korea Relations:

Economic Interests Uber Alles: Hitting the Jackpot through Sino-Korean Partnership by Scott Snyder

Representative, the Asia Foundation/Korea

Sino-Korean government and party contacts were particularly intense in the second quarter. National Party Congress Chairman Li Peng visited Seoul, while South Korean Prime Minister Lee Han-dong, Foreign Minister Han Seung-soo, and Millennium Democratic Party Chairman Kim Joong-kwon paid visits to Beijing. The political prizes: strong Chinese support for inter-Korean reconciliation at a time of difficulty in U.S.-South Korean relations and rapid Chinese acquiescence to the early departure of a North Korean refugee family that sought asylum in late June at the Beijing offices of the UN High Commission for Refugees. Burgeoning economic interests continue to overshadow possible political problems, including how to deal with future North Korean refugee cases, perceived dangers to Korean interests inherent in a more confrontational U.S.-PRC relationship, and China's intentions as Beijing strengthens its economic and political support for the North Korean leadership. http://www.csis.org/pacfor/cc/0102Qchina_skorea.html

Japan-China Relations: Trouble Starts with "T" by James J. Przystup Senior Fellow Institute for National Strategic Studies

Over the March-June quarter, a stream of sensitive issues roiled Japan's relations with China. The government's approval of new history textbooks, the approval of a visa for Taiwan's former President Lee Teng-hui, a looming trade war, Foreign Minister Tanaka's attempts to deal with Taiwan and the visa issue, and finally Prime Minister Koizumi's expressed intention to visit the Yasukuni Shrine kept bureaucrats, diplomats, political leaders, and the media busy in both Tokyo and Beijing. Sino-U.S. relations also moved in a downward spiral. The long EP-3 standoff, the Bush administration's plans for missile defense, a rumored shift in the focus of U.S. security strategy from Europe to Asia, and an increasing tendency to define U.S.-China relations in adversarial terms posed increasing challenges to Japanese diplomacy.

http://www.csis.org/pacfor/cc/0102Qjapan_china.html

Japan-Korea Relations: Questions, Questions, and More Questions... by Victor D. Cha Associate Professor of Government, School of Foreign Service Georgetown University

Three questions drive this quarter's analysis of Japan-Korea relations. First, how does one explain the downturn in Seoul-Tokyo relations? Second, what is the likelihood of any new movement in Japan-DPRK normalization dialogue? And third, what is the status of trilateral coordination with Seoul and Tokyo vis-à-vis the new Bush administration? There is no denying that historical animosity still lives in Seoul-Tokyo relations, but its current negative imprint is the result of an unfortunate confluence of timing and domestic politics (and a Bush "time out" on North Korea, which robbed Seoul and Tokyo of an imperative to work together). Also of concern will be how much the current atmosphere of historical friction will influence Korean perceptions of Koizumi's statements about re-evaluating the traditional interpretation of Japan's right of collective self-defense. http://www.csis.org/pacfor/cc/01020japan skorea.html

China-Russia Relations: Treaties Scrapped, Treaties Signed by Yu Bin Associate Professor, Wittenberg University

Around the world, treaties are threatening to be scrapped (Kyoto Protocol and ABM Treaty) and signed (Shanghai Cooperation Organization and Russian-Chinese friendship treaty) in such a way that the post-Cold War order is rapidly being re-shaped. During the second quarter, there were at least three major treaty-making activities between Moscow and Beijing, partially or largely in reaction to the threatened U.S. departure from the ABM Treaty and other arms control treaties. First, the final wording of a historical friendship treaty was hammered out and is ready to be signed at the onset of the third quarter. Second, the joint effort to stabilize central Asian states led to the debut of an enlarged and reshaped Shanghai Cooperation Organization. Third, Chinese and Russian heads of state met in Shanghai for the first of three summit meetings this year.

http://www.csis.org/pacfor/cc/0102Ochina-rus.html