



The July 2004 Issue of *Comparative Connections* is now available online at <http://www.csis.org/pacfor/ccejournal.html>

### **Regional Overview: Multilateralism and Democracy March On, To Many Different Drummers**

by Ralph A. Cossa

Six-party talks on North Korea's nuclear weapons programs dominated the multilateral agenda this quarter. A series of meetings constituted as much movement as had been seen since the standoff began in October 2002; whether this equates to real progress was unclear. Meanwhile, U.S. efforts to develop a broader global consensus in support of its campaign against WMD saw some progress, even as the regional implications of its Global Posture Strategy were beginning to be felt. Throughout Asia, the democratic process moved forward, albeit unevenly. Events in Burma and Hong Kong were less encouraging. There was a flurry of other multilateral activity, including two major track-two events that were boycotted by the PRC. Finally, President Bush promised to "stay the course," as sovereignty was handed over to a new UN-arranged government in Iraq.

### **U.S.-Japan: Mr. Koizumi's Payback** by Brad Glosserman

Relations between the United States and Japan were very good this quarter, even though events threatened to derail the solid ties. A hostage crisis in Iraq and the discovery of an alleged al-Qaeda network in Japan brought home to Japanese the reality of the war on terror. By the end of the quarter, both governments could point to their relationship as how an alliance is supposed to work; Prime Minister Koizumi Junichiro could make the case that his close relationship with President Bush paid tangible dividends, as Washington's more flexible approach toward North Korea was attributed in part to Koizumi's personal lobbying.

### **U.S.-China: Anxiety About Taiwan Hits New Highs**

by Bonnie S. Glaser

Vice President Dick Cheney made a long-awaited visit to China and engaged in strategic dialogue with China's top leaders, who underscored the dangers of Taiwan independence after the re-election of Taiwan's President Chen. Chinese dissatisfaction with U.S. policy toward Taiwan spilled over into other arenas, influencing its handling of Iraq and North Korea. This quarter also saw a host of activity in the economic realm, with the convening of the 15<sup>th</sup> U.S.-China Joint Commission on Commerce and Trade, visits to China by Secretary of Labor Chao and Secretary of Commerce Evans, and the signing of bilateral economic agreements.

### **U.S.-Korea: Strains in the Alliance, and the U.S. Offers a Nuclear Deal** by Donald G. Gross

North Korea conducted an impressive diplomatic campaign this quarter to improve relations with China, South Korea, and

Japan, and strengthen its position in the six-party talks. In late June, under pressure from South Korea and Japan, the Bush administration made its first detailed negotiating proposal on the nuclear issue since taking office. The proposal called for a freeze of North Korea's nuclear program, accompanied by energy aid from South Korea, China, and Japan, as well as a "provisional security guarantee." If North Korea readmits inspectors to verify compliance and meets specific deadlines for nuclear dismantlement, the U.S. would agree to continue energy assistance, provide permanent security guarantees, and take a variety of other steps to normalize relations.

### **U.S.-Russia: A Spring Thaw after a Freezing Winter?**

by Joseph Ferguson

After a trying winter, the spring offered hope that U.S.-Russia relations could be brought back onto a more conciliatory track. At the G8 Summit, Presidents Bush and Putin expressed a determination to continue the partnership in the war on terror and in nonproliferation efforts. Prior to the summit, Russia endorsed the U.S.-U.K.- sponsored UN Security Council resolution on Iraqi sovereignty. Additionally, Putin seemed to give Bush a shot in the arm with his revelation that Russian intelligence had passed information on Iraqi plans to attack U.S. targets before the March 2003 invasion. There are still serious obstacles for the bilateral relationship particularly as neither nation seems to be able to get a grip on its respective "occupation" duties in Chechnya and Iraq.

### **U.S.-Southeast Asia: Pausing for Politics**

by Richard W. Baker

Domestic political preoccupations in Southeast Asia, the presidential election campaign in the U.S., and continuing sensitivities over the U.S.-led intervention in Iraq meant that U.S. relations with Southeast Asia were essentially on hold during the second quarter of 2004. Nevertheless, ongoing concerns, including terrorism and piracy as well as the increasingly crowded calendar of regular regional meetings, ensured that activity and dialogue continued at a relatively intense pace. Terrorism remains the primary shared concern of the governments of Southeast Asia and the U.S. But unease over American military dominance and skepticism in the region over the Iraq intervention are such that cooperation with the U.S. in the "war on terrorism" is a very delicate matter for many regional governments.

### **China-Southeast Asia: Smoothing the Wrinkles**

by Ronald Montaperto

The year 2004 may emerge as a period of fine tuning and adjustment for China-Southeast Asia relations. Beijing has focused on agreements in place rather than offering new initiatives. China's quest for increased respectability and influence in Southeast Asia by following a two-pronged strategy that focuses on ASEAN for dealing with the region

while dealing with nation-specific issues on a bilateral basis has been apparent. The balance may have shifted slightly toward the bilateral arena. The South China Sea and various areas along the Mekong River drew Chinese and regional attention, as did trade and finance. China's relations with ASEAN remain positive, although Beijing continues to cast a wary eye on progress, or the lack thereof, regarding the establishment of an ASEAN Free Trade Area, security discussions, and the effort to establish multilateral mechanisms for securing unhindered passage through the Strait of Malacca.

#### **China-Taiwan: Deadlocked but Stable** by David G. Brown

In his second inaugural address, President Chen Shui-bian explained revised plans for constitutional reform and his desire for cross-Strait dialogue without preconditions. Beijing, which had predictably reiterated its "one China" precondition for talks, criticized Chen's speech as disguised separatism and threatened to crush Taiwan independence whatever the price. Cross-Strait political relations thus will remain deadlocked, but stable, for the rest of the year as Chen's Democratic Progressive Party focuses on winning a majority in the December Legislative Yuan election and Beijing delays difficult decisions on how to deal with Chen until it can assess that election outcome.

#### **North Korea-South Korea: The Real Deal?**

by Aidan Foster-Carter

Spring brought new growth to inter-Korean relations. South Korea finally obtained its long-sought goal of direct North-South military talks at the general officer level, who in turn agreed to communications steps to prevent naval clashes. In a highly symbolic move, on June 15 each side turned off its propaganda loudspeakers across the Demilitarized Zone. Seoul also played a key role in the latest, and most hopeful, six-party talks in Beijing. For the first time, the U.S. presented a detailed and phased plan, including incentives for Pyongyang – based on a South Korean draft. Yet many obstacles remain on this front. Bilaterally too, while North-South progress looks encouraging, the exact mix of symbolism and substance in this process remains arguable. Nonetheless Seoul seems set on sticking with Sunshine, whatever transpires on other fronts.

#### **China-Korea: Mr. Kim Goes to Beijing . . . and More Six-Party Talks** by Scott Snyder

The wheels of dialogue continue to spin between China and the Korean Peninsula. The talks occurred on schedule following assurances of North Korea's top leader during his visit to Beijing that the talks could be a desirable vehicle for addressing the dispute over North Korea's nuclear weapons program. Kim Jong-il's third visit in four years to Beijing breathed new life into the dialogue and provided some impetus for another round of talks during the last week in June. The stellar growth of ROK-PRC economic relations has slowed as Beijing tries to rein in its own economy and the usual negative aspects of the relationship were also on display. The increasing number of regional economic and other consultations suggests significant changes are in the works that may open up new forms of regional cooperation.

#### **Japan-China: Not Quite All about Sovereignty – But Close** by James J. Przystup

Issues related to sovereignty dominated the Japan-China political and diplomatic agenda. Politicians and diplomats were involved in the controversy generated by the landings of Chinese activists on Uotsuri Island in the Senkaku/Diaoyu Island chain. The quarter ended with politicians and diplomats dealing with Chinese efforts to test drill for natural gas in the East China Sea bordering the Japan-China demarcation. Tokyo was concerned that extraction could tap resources on the Japanese side of the demarcation line. The issue of Chinese maritime research ships operating, without prior notification, in Japan's Exclusive Economic Zone kept the political-diplomatic spotlight focused on sovereignty claims.

#### **Japan-Korea: Engagement from Strength** by Victor D. Cha

The big news was the May summit between Prime Minister Koizumi and North Korean leader Kim Jong-il in Pyongyang on May 22. The results were not half-bad (and not fully appreciated until after the six-party talks in June). The key issue related to abductees but the results could be measured along three dimensions: inching closer to restarting Japan-DPRK normalization dialogue; validation of Japan's firmer stance toward Pyongyang; and the strength of Washington-Tokyo consultations on the nuclear problem. They represented moderate successes for a U.S.-Japan strategy of engaging North Korea from a position of strength, not weakness.

#### **China-Russia: Geo-economics for Geo-politics** by Yu Bin

The second quarter of 2004 marked the beginning of Russian President Vladimir Putin's second term and the second year in office for China's Hu-Wen team. Normal consultations and exchanges remained dynamic at all levels. Moscow and Beijing pursued their respective policies and interests in different ways. While Putin maintained a high profile, Beijing leaders seemed to soft-pedal the Russian factor: there was more attention to problem solving, particularly in economics; less rhetoric about the China-Russia strategic partnership; more attention to nations around Russia; less "major-power" politics of the Jiang-Yeltsin style; and more attention to areas outside Moscow, though not necessarily neglecting Moscow's central role in Russian politics.

#### *In Remembrance*

*It is with great sadness that we note the sudden death of long-time Comparative Connections contributor and Center for Naval Analysis researcher Lyall Breckon, who died of a heart attack while on a trip to Singapore in mid-June. Our thoughts and prayers, and we know those of Lyall's many friends and faithful readers, go out to his family; we share their grief over his untimely passing.*