



The January 2005 Issue of Comparative Connections is now available online at <http://www.csis.org/pacfor/ccejournal.html>

Regional Overview: Tsunami Brings Us Together; Provides Perspective by Ralph A. Cossa and Jane Skanderup

2004 ended on a tragic note, as the death toll from the Dec. 26 tsunami approached the 150,000 mark and continued to climb. Humanitarian assistance reached unprecedented proportions and the tsunami made many of the region's man-made challenges fade into the background, even as some argued the relief effort provided the U.S. with an opportunity to improve its image in Asia. In retrospect, 2004 had ups and downs for Washington, with the derailing of Six-Party Talks and a slight cooling of China-U.S. relations being the biggest disappointments. On the positive side, it was a banner year for democracy in Asia; the system worked, time and time again, even if the results were not always predictable. Multilateral cooperation was also on the rise and economic forecasts, issued before the tsunami struck, were generally positive and were not expected to be too negatively affected by the tragedy.

U.S.-Japan: Planning Ahead by Brad Glosserman

The final quarter of 2004 was uneventful, at least as far as U.S.-Japan relations were concerned. This tranquility permits the two governments to focus on future planning rather than alliance management. They are doing just that. Highlights include a public discussion of the "Far East" clause in the U.S.-Japan security treaty which fits into a broader national security debate in Japan, Japan's hosting of a Proliferation Security Initiative exercise, and approval of the National Defense Program Guidelines, which outline Japan's future security posture. The quarter closed with the earthquake in Indonesia and the tsunami it created; Prime Minister Koizumi was quick to respond, both to deploy Japan's formidable assets to help combat the devastation, and to demonstrate his country's ability to play a vital regional and international role.

U.S.-China: Slips of the Tongue and Parables

by Bonnie S. Glaser

The quarter opened with a visit by Secretary of State Powell to Beijing, as well as Seoul and Tokyo, that did little to jumpstart the stagnant Six-Party Talks or revive dialogue between Taiwan and China. Controversy erupted over his statements that endorsed peaceful reunification of the two sides of the Strait and declared that Taiwan does not enjoy sovereignty. Hu Jintao and George Bush talked in October and November, and then met on the sidelines of the 12th APEC summit. Although cooperation predominated, differences persisted on numerous issues, including China's proliferation activities, U.S. refusal to return to China exonerated Uighurs held in Guantanamo Bay, the EU arms embargo on China, Iran's nuclear programs, China's human rights practices, China's currency, and the mushrooming bilateral trade deficit.

U.S.-Korea: South Korea Confronts U.S. Hardliners on North Korea Policy by Donald G. Gross

South Korea embarked on an aggressive diplomatic campaign to prevent neo-conservative hardliners in the Bush administration from obtaining a dominant role in U.S. policymaking toward the DPRK. President Roh asserted the "leading role" of South Korea in the Six-Party Talks and ruled out military options, other "forceful actions," and rejected regime change in dealing with Pyongyang. Meeting Roh on the sidelines of the APEC summit, President Bush reiterated the U.S. policy of promoting a peaceful, diplomatic solution to the nuclear issue. The Six-Party Talks remained at an impasse, as North Korea resisted a new negotiating round until seeing the shape of U.S. policy after the presidential election. U.S., ROK, and Chinese officials increasingly focused on continuing the negotiations in early 2005.

U.S.-Russia: Elections Highlight Deepening Divide

by Joseph Ferguson

Press reports in the U.S. and Russia billed the Ukrainian presidential election as a struggle between Moscow and Washington for the soul of that country. Although this is far from the truth, it put a crimp in the strained relationship between the U.S. and Russia. The ongoing drama behind the arrest of the leadership of the Russian oil giant Yukos and the breakup of that company shaped Western perceptions of how Russia's democratic experiment is progressing. The U.S. must decide whether it wants to maintain the strategic partnership with Moscow in its current form or opt to become constructive critics of Vladimir Putin and the "New Russia."

U.S.-Southeast Asia: Elections, Unrest, and ASEAN Controversies by Sheldon W. Simon

Following President Bush's reelection, Southeast Asian leaders warned that the U.S. war on terror and its Middle East policy must change to demonstrate that the U.S. is not attacking Islam. While Washington welcomed S.B. Yudhoyono's election as president of Indonesia, the U.S. arms embargo is leading Jakarta to seek military equipment from Russia, Europe, and possibly China. Washington has also expressed concern over southern Thai Muslim deaths at the hands of the military. Indonesia and Malaysia are stepping up maritime security cooperation, while the U.S. offers technical assistance. ASEAN struggles with Burma's abysmal human rights record and looks forward to an East Asian summit in 2005, a gathering that does not include the U.S. The U.S. is taking a leading role in coordinating relief efforts in the aftermath of the horrific tsunami, providing President Bush an opportunity to improve the U.S. image in Asia generally and in Muslim Indonesia specifically.

China-Southeast Asia: Thinking Globally, Acting Regionally by Ronald N. Montaperto

During the last quarter of 2004, Beijing used both the October Asia-Europe Meeting and the November Asia-Pacific Economic Cooperation meeting to enunciate the economic and strategic priorities now defining Chinese external policies, taking a global perspective. Beijing embedded its global stance within the context of Southeast Asian concerns at the ASEAN summit in Laos and the “plus Three” and “plus One” meetings. China mixed multilateral diplomacy with bilateral efforts to better ties with Indonesia, the Philippines, Thailand, and Vietnam. Increasingly, the rhythms of Southeast Asian political and economic life are being defined by Beijing as nations place a new emphasis on analyzing, assessing, and factoring Chinese reactions into their foreign policy initiatives.

China-Taiwan: Campaign Fallout by David G. Brown

During the Legislative Yuan election campaign, President Chen used identity issues to mobilize supporters and talked fervently about giving Taiwan a new constitution, which confirmed Beijing’s distrust of Chen. The Bush administration notched up public criticism, reflecting growing U.S. frustration with and lack of trust in Chen. Chen’s proposals on cross-Straits dialogue and charter flights were dismissed by Beijing because they did not address the “one China” issue. The December election renewed the pan-blue majority in the LY to Beijing and Washington’s relief. Nevertheless, China announced it would adopt an “Anti-Secession Law.” There could be progress on cross-Straits relations, but it remains to be seen if Beijing and Taipei will be flexible on the “three links,” the one area where some progress may be possible.

North Korea-South Korea: Boycott or Business?

by Aidan Foster-Carter

Until mid-year all seemed to be going well in inter-Korean relations, but July saw a U-turn. Angry on several fronts, North Korea pulled out of most of its regular talks with the South. By early 2005 it had not relented, and showed no sign of doing so. The stasis in inter-Korean ties partly reflects the fact that North Korea is in no mood to talk to anyone about anything. But there are also specific aspects to this distinctive relationship. One is the refugee issue: a salutary reminder that there is more to inter-Korean ties than merely what the two governments cook up between them, or fail to. The other is the one field of cooperation that Pyongyang is still keen on, doubtless because there is money in it. So maybe an otherwise bleak New Year is not wholly without hope after all.

China-Korea: Waiting Game by Scott Snyder

The second half of the year brought no opportunity for Six-Party Talks. President Roh Moo-hyun met with China’s top leaders to press for six-party diplomacy, but to no avail. Tensions surrounding the refugee issue have escalated with passage of the U.S. North Korean Human Rights Act, a near doubling of refugee arrivals in the ROK, and more aggressive Chinese efforts against brokers who assist DPRK refugees. Trade relations between China and the ROK are increasingly complex, as China poses greater competition for South Korean products and presses to open the South’s rice market as required by the WTO. Nonetheless, South Korean exports to

China remain the primary reason the South Korean economy did not experience a recession in the second half of 2004.

Japan-China: A Volatile Mix: Natural Gas, a Submarine, a Shrine, and a Visa by James J. Przystup

The dispute over natural gas fields in the East China Sea continued to simmer. Japanese patrol aircraft tracked a Chinese nuclear submarine through Japanese territorial waters. Beijing’s apology paved the way for summit-level talks between Prime Minister Koizumi and President Hu Jintao and Premier Wen Jiabao. In Japan, reaction centered on graduating China from its ODA program. Tokyo issued new National Defense Program Guidelines, which highlighted China’s military modernization and naval activities, concerns Beijing found groundless. Finally, Japan approved a visa for Taiwan’s former President Lee Teng-hui, in Beijing’s eyes a “splittist.” Yet economic relations continued to expand, giving rise to “cold politics, hot economics.”

Japan-Korea: Improving and Maturing, but Slowly

by David C. Kang

Japan’s relations with the DPRK continue to be held hostage by the abductions issue. The Japan-ROK relationship continues to mature. President Roh and Prime Minister Koizumi have a better working relationship than any previous pair of leaders, and current issues are being handled as a normal aspect of a working relationship, not as special matters. Japan and South Korea engaged in another summit, furthered economic exchanges, and saw cultural relations evolve, if not exactly improve. On matters other than North Korea, their relations are improving across a range of issues. Japan’s steps toward a more muscular foreign policy were less destabilizing than they might have been a decade ago. South Korea does not seem overly concerned; North Korea predictably overreacted.

China-Russia: End of History? What’s Next? by Yu Bin

More than 300 years of territorial/border disputes between Russia and China ended in the fourth quarter. It also saw Russian President Putin’s third official visit to China, which was accompanied by record bilateral trade and fresh momentum in mil-mil relations. On Dec. 31, Russia’s prime minister approved plans to build an oil pipeline from Taishet in East Siberia to the Pacific, without a word about China. A new Moscow-Beijing rivalry that balances geoeconomics and geostrategics is unfolding across Asia and across issue areas.

India-East Asia: 2004: A Year of Living Actively

by Satu P. Limaye

Three broad features characterized India-East Asia relations in 2004. First, India-Pakistan relations improved, allowing India to pay attention to its eastern neighbors. Second, India’s economy remained robust, giving it the confidence to pitch for cooperation and garnering interest from East Asian countries. Finally, a change of government in India has not derailed what appears to be an institutionalized “look east” policy. China remained at the forefront of India’s Asian relationships, but “normalization” will be tough. Japan-India relations showed greater activity but they are still burdened by the nuclear issue. A new development was India-ROK relations. The summit relationship with ASEAN lets India build bilateral ties with a number of Southeast Asian countries.