



The January 2006 Issue of Comparative Connections is now available online at <http://www.csis.org/pacfor/ccejournal.html>

Regional Overview: Promoting Freedom and Democracy Amidst Missed Opportunities

by Ralph A. Cossa and Jane Skanderup

President Bush made his first trip to Asia in two years, attending the APEC Leaders' Meeting in South Korea and visiting Japan, China, and Mongolia. In Japan, he gave a major policy speech that reinforced his "freedom and democracy" theme, but missed the opportunity to shed additional light on Washington's defense transformation plans or to ameliorate growing China-Japan tensions. This quarter also included a round of Six-Party Talks that made little headway; the WTO Hong Kong Ministerial, which was only slightly more productive; an ASEAN Plus Three and ASEAN Plus One summits that added, at least marginally, to the East Asia community-building process; and the East Asia Summit, which did not. All in all, 2005 was a good (but not great) year politically and economically for East Asia and for U.S. relations with Asia.

U.S.-Japan: The Alliance Transformed?

by Brad Glosserman

The last quarter of 2005 will be remembered as a historic moment for the U.S.-Japan alliance. In October, the Security Consultative Committee ratified an interim report on the realignment of U.S. forces in Japan that could usher in a new era in relations between the two countries. That's a big "if." Seeing the agreement implemented will be difficult. Moreover, the weeks before the agreement was reached were marked by rancor and rhetoric that matched that of the dark days of Japan bashing. Petulance and posturing are a poor foundation for a "rejuvenated" alliance. On the economic front, the resumption of U.S. beef imports eliminates another irritant in the bilateral agenda.

U.S.-China: China Welcomes Bush and Ponders a U.S. Invitation to be a Responsible Stakeholder

by Bonnie Glaser

President Bush's November visit to Beijing produced no concrete deliverables, but provided an important opportunity for U.S. and Chinese leaders to engage in a strategic conversation about the bilateral relationship. After almost six years as secretary of defense, Donald Rumsfeld traveled to China, where he sparred with Chinese military researchers from the Central Party School and the Academy of Military Sciences and became the first foreigner to visit the Second Artillery Corps. In Washington, D.C., the second round of the Senior Dialogue was held, broadening and deepening strategic discussions between senior Chinese and U.S. officials.

U.S.-Korea: The Six-Party Talks: What Goes Up Can Also Come Down by Donald G. Gross

The Six-Party Talks suffered a major reversal as Washington and Pyongyang unleashed verbal attacks on each other over activities outside the scope of the negotiations – counterfeiting of U.S. dollars, drug trafficking, and Pyongyang's human rights record. North Korea said it would boycott the talks until it obtained a high-level meeting to discuss the sanctions related to the DPRK's alleged counterfeiting. It was not clear whether or when a new round of the Six-Party Talks could be scheduled. Presidents Roh and Bush, at their Gyeongju meeting, agreed to begin a strategic dialogue and put a U.S.-ROK free trade agreement (FTA) on a fast track, with negotiations to begin this spring. Their decision reflected the desire of both governments to strengthen U.S.-ROK relations when differences over strategy toward North Korea have caused major strains in the alliance.

U.S.-Russia: Eurasian and East Asian Contexts

by Joseph Ferguson

The last quarter of 2005 was a relatively quiet time in U.S.-Russia relations. The malevolent rhetoric that marked the bilateral dialogue over the past two years subsided. Instead, the leaders of the two nations focused on shoring up relations with nations across East Asia. Presidents Bush and Putin met in South Korea on the sidelines of the APEC summit. Central Asia and the Middle East, however, remain the primary focus for both nations, and top officials continued to visit these regions with regularity. Meanwhile, Russia-Japan relations have advanced in the economic sphere, but the territorial dispute remains at an impasse, and no progress was made during Putin's visit to Tokyo in November.

U.S.-Southeast Asia: Military Relations Restored with Indonesia, while U.S. Passes on the First East Asia Summit

by Sheldon W. Simon

Full-scale mil-mil relations have been restored with Indonesia in recognition of Indonesia's democratic practices and its importance for the U.S. global war on terror. Washington launched an Enhanced Partnership with ASEAN by agreeing to a multi-dimensional Plan of Action that includes additional cooperation on security, trade, and investment. U.S. relations with the Philippines were complicated by reports of classified U.S. assessments of Philippine politics that emphasized vulnerabilities in President Arroyo's government. While Philippine-U.S. joint military exercises continued, the arrest of five U.S. marines on rape charges led to calls in the Philippines for amending the Visiting Forces Agreement. Under Secretary of State Karen Hughes' visit to the region led to her enthusiastic endorsement of Malaysia's politics of inclusion as a possible model for Iraq.

China-Southeast Asia: Emphasizing the Positive; Continued Wariness by Robert Sutter

Beijing continued to send messages of reassurance to Southeast Asia. The decision in December to value upward the size of China's economy was accompanied by a White Paper that emphasized that China's economic and other power sought a "benevolent" order at home and abroad that posed no danger to neighbors or others. The capstone of the quarter was the events surrounding the visit of Prime Minister Wen Jiabao to Malaysia, when he attended the ninth ASEAN plus China meeting, the ninth ASEAN Plus Three meeting, and the inaugural East Asia Summit. Still, Southeast Asian governments remain wary of China's rise and regional activism.

China-Taiwan: Will Cross-Strait Momentum Resume? by David G. Brown

Cross-Strait relations were largely on hold this quarter. Beijing continued to pursue cooperation with the opposition parties and to minimize dealings with the Chen Shui-bian administration. Beijing did not implement any further unilateral steps to expand cross-Strait exchanges. Economic ties continued to grow but at a slower pace. Then in November, Beijing and Taipei agreed to renew and expand the arrangements for charter flights at the coming Chinese New Year. The Chen administration appears more focused on "identity" issues, even though progress on economic decisions long pending in Taipei would serve Taiwan's interests.

North Korea-South Korea: Peace Economics? by Aidan Foster-Carter

September's brief euphoria over a hard-won agreement of principles at the Six-Party Talks soon dissolved in wrangling, and as of early 2006 this on-off dialogue again looks to be off. Elsewhere, the DPRK abruptly told those who had generously fed it for a decade that humanitarian aid was no longer needed. Amid this generally worsening picture, Pyongyang did not suspend links with Seoul; yet neither did it rush to expedite them. Frustration continued in the South over Northern slowness to implement matters nominally agreed on earlier, ranging from military talks to the delayed opening of new cross-border railways.

China-Korea: Hu Visits the Two Koreas by Scott Snyder

Completion of the Sept. 19 Joint Statement at the Six-Party Talks set the stage for top-level Chinese diplomatic interaction with the two Koreas. PRC President Hu Jintao made visits to Pyongyang and Seoul in October and November, respectively. Both visits boosted China's diplomatic aims and strengthened China's relations with Pyongyang and Seoul. But the visits also highlighted the economic, diplomatic, and policy gaps in China's relationships with the two Koreas and shed new light on the difficulty of reaching a solution to the DPRK's nuclear development efforts. The economic balance sheet illustrates the differences in China's relationship with the two Koreas: China's 2005 trade balance with the DPRK is expected to be \$2 billion and trade with the ROK is expected to total \$100 billion.

Japan-China: Yasukuni Stops Everything by James J. Przystup

Prime Minister Koizumi's Oct. 17 visit to the Yasukuni Shrine put Japan-China relations into a political deep freeze. Meetings on sensitive East China Sea issues were cancelled and prospects for a Japan-China leadership summit before the end of the year went from slim to none. In December, Foreign Minister Aso Taro and Democratic Party of Japan President Maehara Seiji raised the issue of a China threat, which Beijing dismissed as irresponsible and without foundation. China's diplomatic White Paper announced that China has never been a threat and that it never had and never would seek hegemony. While economic engagement continues to strengthen, the outlook for political relations is "bleak."

Japan-Korea: The Big Chill by David Kang and Ji-Young Lee

Petty unresolved problems continue to overshadow the relative stability of the actual relationship. The media in both countries had a field day with the various spats, highlighting disputes over territory, textbooks, and history. Luckily, very few of these disputes had actual consequences on policies. The economic interaction proceeds apace, and the long-discussed free trade agreement remains a victim not of historical sentiment, but of domestic politics on agricultural issues. Japan-North Korea negotiations aimed at normalizing ties have made very slow progress. By quarter's end, Japan and North Korea agreed to resume normalization talks as early as late January.

China-Russia: Pollution, Politics, and Partnership by Yu Bin

By any measure, 2005 elevated China-Russia relations to a higher level across many fields: Presidents Hu and Putin met four times; they issued a joint declaration on the international order; began strategic dialogues, held their first-ever military exercises, recorded trade of \$29 billion (up 33 percent), and coordinated foreign policy (30 consultations between foreign ministers). These positive interactions, however, were somewhat overshadowed at yearend by a serious pollution accident in the Songhua River – a painful reminder that high-profile diplomacy is not the only priority between the two powers. The China-Russian strategic partnership relationship was tested and strained by the accident.

U.S.-India: The Best is Yet to Come by Satu P. Limaye

The high-level visits, new dialogue mechanisms, initiatives, and major agreements during 2005 could certainly be characterized, in the words of Ambassador David Mulford, as at "an all-time high" for U.S.-India relations. While the tone of the bilateral relationship has undergone a positive change, there is significant work to be done in sustaining this progress. The year saw the signing of a new for defense cooperation, a major initiative to pursue civilian nuclear cooperation, and a state visit by Prime Minister Singh to the U.S. Meanwhile, U.S. and Indian trade and investment ties, though growing swiftly, remain far below their potential and the U.S. and India continue to search for the same "wavelength" on a range of regional and international issues.