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Regional Overview: Tentative Multilateralism, Democracy in Action by Ralph A. Cossa and Brad Glosserman

The quarter began with high hopes, but it was all down hill after that. Beijing announced a "second phase" implementation plan at the Six-Party Talks, but as the new year tolled a "complete and correct declaration" of all North Korean nuclear programs was nowhere to be found. The ASEAN Charter was signed but hopes that Myanmar would somehow be penalized for its suppression of protests were dashed. The third East Asia Summit took place but left observers uncertain about its place in the greater multilateral mix. The global warming meeting produced a not very specific "Bali Roadmap." Meanwhile, the democratic process was in evidence, with elections in Australia, South Korea, and Thailand, even as the Chinese were ruling that Hong Kong would not be ready for more representative government until at least 2017.

U.S.-Japan: Distracted Governments Make Some Progress by Michael J. Green and Nicholas Szechenyi

Prime Minister Fukuda Yasuo outlined his foreign policy agenda highlighting the U.S.-Japan alliance and international cooperation as the foundations of Japanese diplomacy. But legislation authorizing Japan's naval refueling mission in the Indian Ocean expired in a divided legislature, forcing Fukuda to draft a new bill and extend the Diet session twice in an attempt to continue Japan's support for the operation. A new agreement on host nation support for U.S. forces in Japan and a successful sea-based missile defense test demonstrated forward trajectory for alliance cooperation.

U.S.-China: China Signals Irritation with U.S. Policy by Bonnie Glaser

China's refusal to allow the USS Kitty Hawk to make a scheduled visit in Hong Kong for Thanksgiving refocused attention on bilateral differences. It also raised questions about civilian-military coordination in China and highlighted the mistrust between the militaries. Agreements were reached to promote better relations between the U.S. and Chinese militaries during a visit to China by Defense Secretary Robert Gates and a subsequent round of the Defense Consultative Talks. Economic and trade issues were at the top of the bilateral agenda as the Joint Commission on Commerce and Trade and Strategic Economic Dialogue convened and produced some successes.

U.S.-Korea: North Disables Facilities, But Resists Declaration by Donald G. Gross and Hannah Oh

While North Korea's nuclear disablement actions encouraged U.S. officials this quarter, Pyongyang's

unwillingness to make a "complete and correct" declaration of its nuclear program left a diplomatic dilemma. Meanwhile, the election of South Korea's conservative party candidate, Lee Myung-bak, signified that Seoul and Washington will likely have a more coordinated policy approach toward North Korea. Lee stressed that he would adopt a "pragmatic" approach and support large-scale South Korean economic assistance to Pyongyang – but only if North Korea first abandons its nuclear program. President Roh Moo-hyun and President-elect Lee pledged to work together to ratify the U.S.-Korea Free Trade Agreement (FTA) at the upcoming session of the National Assembly in February.

U.S.-Russia: Putin Picks a Successor by Joseph Ferguson

Vladimir Putin named his preferred successor, longtime aide Dmitri Medvedev, and appears to be stepping down – sort of. Now that the Kremlin has come forward with its own explanation of Putin and what his government represents, and has been bandying about the term "sovereign democracy," the answer is no longer hard to decipher. Meanwhile, the designation of Medvedev as the preferred successor to the presidency could be seen as a plus for the U.S. Many analysts view him as an economic liberal and he has no known background in the intelligence or the security services. But the fact that he is a relative political lightweight leaves the door open for the return of Putin or his retention of power.

U.S.-Southeast Asia: New ASEAN Charter Bedeviled by Burma by Sheldon W. Simon

While the ASEAN 10 celebrated the association's 40th anniversary by initialing its first Charter at its Singapore summit, Burma's crackdown on democracy and human rights demonstrators dampened the excitement. The Bush administration placed new sanctions on the Burmese junta and warned that an ASEAN-U.S. FTA now depends on Burma's genuine progress toward democracy. For the Philippines, Washington has promised more economic and military aid but partially conditioned on a better human rights record. Human rights concerns also dominated U.S. relations with Malaysia and Thailand with respect to Kuala Lumpur's crackdown on ethnic Indian demonstrations and Thailand's harsh treatment of Muslim dissidents in the southern provinces.

China-Southeast Asia: Singapore Summits, Harmony, and Challenges by Robert Sutter and Chin-Hao Huang

Prime Minister Wen Jiabao's active agenda in regional summits coinciding with the ASEAN Plus China, ASEAN Plus Three (with Japan and South Korea), and East Asia Summit meetings in Singapore in November was the highlight of the quarter. Chinese officials adhered to the line of emphasizing harmonious relations with Southeast Asian and other countries, but had some difficulties involving Myanmar, Vietnam, and climate change.

China-Taiwan: Beijing Keeps Its Cool by David G. Brown

At the 17^{th} Party Congress in October, Hu Jintao authoritatively reiterated Beijing's desire for a peace agreement on the basis of the one China principle as Beijing remains deeply concerned about the referendum on joining the UN under the name "Taiwan." Yet Beijing has kept its rhetoric under control. It has pressed the U.S. to do more to stop the referendum and has worked with some success to mobilize international criticism of it. Washington has continued to make known to the public in Taiwan its reasons for opposing this referendum and has put Taiwan's purchase of more *F-16* fighter jets on hold. That Chen is pushing ahead with the referendum despite international opposition only confirms that his purpose is primarily election mobilization.

North Korea-South Korea: Sunshine Deepened, only to Dim? by Aidan Foster-Carter

The quarter began with the second North-South summit. No mere symbolic event, the summit produced numerous follow-up meetings. It appeared that an era of regular, sustained, and largely practical intercourse between Seoul and Pyongyang had begun. Yet, two shadows threaten to dim this institutionalization of the South's "Sunshine" policy. On Dec. 19 South Koreans chose Lee Myung-bak as their president for the next five years. Lee has vowed to review all recent deals with the North, to demand more reciprocity from Kim Jong-il, and to link aid and other progress to Pyongyang's nuclear compliance in the Six-Party Talks. Meanwhile, Pyongyang failed to fulfill its pledge to make a full declaration of all its nuclear activities by the end of the year. Hence, 2008 could go either way.

China-Korea: Underhanded Tactics and Stolen Secrets by Scott Snyder

The Six-Party Talks agreement on next steps in North Korea's denuclearization and the inter-Korean summit declaration shaped developments in China-Korean relations in the last quarter of 2007. Chinese officials visited Pyongyang in late October and in mid-December to encourage counterparts to follow through on obligations to disable and declare nuclear facilities by the end of the year. South Korean telecommunications companies worked hard to gain an advantage over global competitors in China, while Korean automobile and steel manufacturers faced new challenges as industrial espionage involving proprietary technology drew an even higher profile in both sectors.

Japan-China: Politics in Command: Part 2

by James J. Przystup

Beijing welcomed the new Fukuda government and Japan's prime minister made clear his commitment to building the strategic relationship with China. However, the new government in Tokyo soon became preoccupied with passage of a new antiterrorism special measures law, Defense Ministry scandals, and the continuing pension fund imbroglio. Despite repeated commitments to joint development of the oil and natural gas resources in the East China Sea, there is no tangible resolution of the issue in sight. Meanwhile, economic

and business ties continued to strengthen the foundation of the bilateral relationship.

Japan-Korea: Lost in the Six-Party Talks by David Kang and Ji-Young Lee

The final quarter of 2007 was eventful and left observers cautiously optimistic about relations. Both countries chose new chief executives, and both promised to search for more collaboration and to begin repairing relations. Halting progress on North Korean denuclearization led to hope that momentum could be sustained, although Japan has chosen to be supportive but skeptical, and continued its sanctions against the DPRK. Indeed, North Korea's missed deadline for declaring its nuclear programs was a reminder that progress in relations with North Korea is never straightforward or easy. It is unclear how relations between North Korea and other states in the region will evolve in 2008.

China-Russia: Living with Putin's Unfading Glory and Dream by Yu Bin

Succession politics preoccupied both Moscow and Beijing in the quarter. The 17th Congress of the Chinese Communist Party in October paled in comparison to Putin's surprising posturing in early December to shape Russian politics beyond 2008. If his "Operation Successor" is implemented, Beijing may well live with Putin's leadership rather than his legacy for the next 16 years. Meanwhile the two countries continued to interact at global, regional, and bilateral levels. The third Russia-China-India trilateral foreign ministerial meeting was held in late October in China's northeastern city of Harbin. This was followed by the sixth annual prime ministerial meeting of the Shanghai Cooperation Organization (SCO) in early November in Tashkent. A few days later, Chinese Premier Wen Jiabao traveled to Moscow for the Sino-Russian prime ministerial annual meeting.

India-Asia Pacific: Consolidating Friendships and Nuclear Legitimacy by Satu Limaye

India's relations with countries in the Asia-Pacific region during 2007 were wide-ranging as New Delhi sought to consolidate and expand ties with both small and large countries. With the U.S., India was on the verge of a landmark agreement on civil nuclear energy cooperation. But there was unfinished business. In Southeast Asia, the failure to conclude an FTA blunted relations. With China, India's relations crawl forward with little progress on issues such as the border/territorial dispute. With Japan, despite all the excitement, the facts on the ground remain limited. There are some interesting openings for India in the region with Australia and South Korea, but they too are somewhat unusual rather than an established pattern. What is undeniable is that India is now a thread in the fabric of the Asia Pacific region. Similarly, despite the failure of the U.S. and India to conclude the civilian nuclear energy deal in 2007, the thickness of U.S.-India relations is unlikely to be diluted, even if it will take a lot of work from both Washington and New Delhi to keep them going.