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Regional Overview: Promises Kept, for Better and for Worse by Ralph A. Cossa and Brad Glosserman

Secretary of State Clinton kept her promise and showed up at the first ARF Ministerial Meeting to take place on her watch and, also as promised, signed ASEAN's Treaty of Amity and Cooperation on behalf of the United States. Unfortunately, North Korea's Kim Jong-il also kept his promises: to ignore all UNSC resolutions, to shoot more missiles, and to "never, ever" return to the Six-Party Talks. In response, Washington pledged to continue enforcing UN-imposed sanctions despite a few "good-will gestures" from Pyongyang. President Obama also kept his promise to take significant steps toward global disarmament, chairing a UNSC session to underscore his commitment to this ideal. Meanwhile there were signs of the promised recovery of the global economy with Asia leading the way.

U.S.-Japan Relations: Interpreting Change by Michael J. Green and Nicholas Szechenyi

Hatoyama Yukio led the Democratic Party of Japan to a landslide victory in the Lower House election and was elected prime minister in mid-September. Though the election centered primarily on domestic policy, Hatoyama began his tenure by outlining foreign policy priorities during visits to the UN and the G20 summit less than a week after he took office. The Obama administration emphasized respect and patience as senior U.S. officials visited Tokyo for consultations soon after the election and prepared for the first meeting between President Obama and Prime Minister Hatoyama in New York. The leaders reaffirmed the importance of the U.S.-Japan alliance and set the stage for a visit to Japan by Obama in November. The quarter ended with good atmospherics but also questions about whether Hatoyama would implement campaign pledges with the potential to strain bilateral ties.

U.S.-China Relations: Strategic & Economic Dialogue Sets Agenda for Cooperation by Bonnie S. Glaser

The inaugural session of the Strategic and Economic Dialogue was held in Washington in July. High-level exchanges continued with the visit to the U.S. by Wu Bangguo, the head of the National People's Congress. A special meeting of the Military Maritime Consultative Agreement was held in Beijing to discuss the confrontations inside China's exclusive economic zone between U.S. Navy surveillance ships and Chinese vessels that took place earlier this year. The U.S. imposed tariffs on tire imports from China, prompting Beijing to file a formal complaint against the U.S. at the WTO and launch an investigation into U.S. exports of chicken meat and auto parts. Presidents Barack Obama and Hu Jintao met in New York and both attended the

G20 in Pittsburgh. They will meet again in November when Hu hosts Obama for his first visit to China.

U.S.-Korea Relations: Bill's Excellent Adventure by Victor Cha

The quarter saw a good deal of U.S.-Korea activity largely the result of several trips by high-level U.S. officials to the region. While extended deterrence was a major topic of conversation, Washington and Seoul also coordinated policy on North Korea with some indication that reengagement in nuclear negotiations may be in the offing. Former President Bill Clinton's surprise visit to the North resulted in the return of detained U.S. journalists Laura Ling and Euna Lee.

U.S.-Russia Relations: Missiles of September by Joseph Ferguson

U.S.-Russia relations began the quarter with an informal, yet cordial summit in Moscow. The two presidents met again in late September and agreed to push forward a number of agreements and appeared to agree that the incipient Iranian nuclear program needs urgent attention. In what some viewed as a huge concession, the Obama administration announced that it was scrapping a controversial missile defense system that was due to break ground soon in Poland and the Czech Republic. This move, combined with vague Russian promises of support for sanctions against Iran, gave observers hope that relations could find a common strategic footing. Nevertheless, optimism is strictly cautious as major areas of disagreement still remain, including Moscow's hostile relationship with the governments of Georgia and Ukraine.

U.S.-Southeast Asia Relations: The United States Is Back! by Sheldon Simon

Despite the renewed incarceration of Aung San Suu Kyi and continued economic sanctions against Burma's junta, Washington announced it would reengage members of the regime. Defense Secretary Gates announced an extension of the deployment of U.S. Special Forces in the southern Philippines along with an expansion of aid for humanitarian and disaster response, climate change, drug trafficking, and maritime security. While offering condolences in the wake of the July terrorist bombings in Jakarta, Washington praised the Indonesian police for tracking down and killing the perpetrator, Mohammad Noordin Top. USAID is organizing a new program to assist civic social organizations in the Thai south to promote governance and human rights. All of these activities indicate that, as Secretary of State Clinton exclaimed in Bangkok, "The United States is back!"

China-Southeast Asia Relations: Myanmar, South China Sea Issues by Robert Sutter and Chin-hao Huang

Myanmar's military offensive against armed militias of minority groups along the border with China disrupted the

status quo that had prevailed along the frontier for the past two decades. Frictions over territorial claims, fishing, and surveillance among China, Southeast Asian countries, and the U.S. over the South China Sea were less prominent than in recent quarters. China signed an investment agreement with ASEAN members marking the completion of the China-ASEAN Free Trade Area. Chinese commentary joined other regional media in highlighting, with some reservations, the prominence of U.S. Secretary of State Hillary Clinton and the more activist U.S. regional agenda at the ASEAN Regional Forum Foreign Ministers' Meeting.

China-Taiwan Relations: Temporarily in the Doldrums by David G. Brown

Beijing and Taipei made little progress in cross-Strait relations this quarter. Typhoon *Morakot* and other extraneous factors frustrated progress but did not change the positive momentum. Preparations are underway for talks on an Economic Cooperation Framework Agreement and the fourth round of SEF-ARATS talks later this year. Cross-Strait trade is beginning to recover from the precipitous decline caused by the great recession and the first mainland investments in Taiwan, although small, have been approved. Progress in better relations should resume in the months ahead.

North Korea-South Korea Relations: On the Mend? by Aidan Foster-Carter

Dealing with North Korea resembles the board game *Snakes & Ladders* (known in the U.S. as *Chutes & Ladders*). The first half of this year was an especially long snake/chute. Pyongyang's missile and nuclear tests, and its general bellicosity, not only undid last year's slight gains in the Six-Party Talks, but were a strange way to greet an incoming U.S. president avowedly committed to exploring engagement with Washington's traditional foes. But what goes down must, eventually, come up, even if each time some may fear it is a case of one step forward, two steps back. As of autumn, things on the peninsula are looking up somewhat – at least relatively, if not in any absolute sense.

China-Korea Relations: China's Nuclear North Korea Fever by Scott Snyder and See-won Byun

North Korea's missile tests in early July marked an apparent peak in its provocative behavior as Pyongyang shifted to a "charm offensive" strategy. Kim Jong-il's encouraging statements that "the DPRK is willing to attend multilateral talks, including the Six-Party Talks, based on the progress in the DPRK-U.S. talks" has set the stage for new engagement. It remains to be seen if this will lead to tangible North Korean actions in the direction of denuclearization. Presidents Lee Myung-bak and Hu Jintao both traveled to the U.S. for the G20 summit and UN General Assembly, where they met on the sidelines. While Lee noted China's recent diplomatic outreach to North Korea, it is unclear whether Beijing is on board with Lee's "grand bargain" proposal or has its own plans for dealing with North Korea.

Japan-China Relations: Old Issues Greet a New Government by James J. Przystup

After months of anticipation, Prime Minister Aso Taro dissolved the Diet and scheduled elections for the Lower

House. On Aug. 30, Aso's Liberal Democratic Party suffered a crushing defeat at the hands of the Democratic Party of Japan and DPJ President Hatoyama Yukio became prime minister on Sept. 16. With Japan focused on the historic shift of power for most of the quarter, politics took primacy over diplomacy. In this environment, Japan-China relations continued to tread water, waiting for the arrival of a new government in Tokyo. Perhaps the good news is that there were no major dilemmas or disruptions and the new Japanese leadership had early opportunities to establish a relationship with their Chinese counterparts.

Japan-Korea Relations: Japan's New Government: Hope and Optimism by David C. Kang and Ji-Young Lee

The highlight of the quarter was Japan's general election and the inauguration of the Hatoyama Cabinet. Despite Prime Minister Aso's attempt during the campaign to portray the Democratic Party of Japan's foreign policy as posing national security threat to Japan, the Lower House election ended a virtual half-century of Liberal Democratic Party rule. Pyongyang expressed hopes for a breakthrough in their bilateral relations, but it does not look like we will witness any fundamental change in Japan's North Korea policy. Japan-South Korea relations during this quarter can be summarized as guarded optimism as both sides look to elevate bilateral ties to another level of cooperation. If there is one sure sign that this shift in Japanese politics might bring positive change, it will be over the issue of the Yasukuni Shrine.

China-Russia Relations: Market Malaise and *Mirnaya Missiya* by Yu Bin

Perhaps more than any time in the past 10 years, the third quarter highlighted both the potential and the problems of this bilateral relationship. On the one hand, the two militaries successfully conducted their joint antiterrorism exercise, *Mirnaya Missiya (Peace Mission)* 2009, in China's Jilin Province. On the other hand, the closing of Moscow's huge Cherkizovsky market uprooted tens of thousands of Chinese citizens doing business in Russia, while \$2 billion in goods were confiscated as "illegal" and "contraband." On the eve of the 60th anniversary of bilateral ties, Moscow and Beijing seemed to be stretching both the cooperative and conflictual limits of their strategic partnership.

Australia-East Asia/U.S. Relations: Australia Adjusts to New Realities by Graeme Dobell

Australia's government swung from the right to the left of the political spectrum in 2007. The U.S. did the same in 2008. Yet, not much changed in the fundamentals of the 57-year-old U.S.-Australia alliance. The assertion of alliance continuity, however, comes with a major caveat: the tectonic effects being exerted by China's rise. As with the rest of the Asia-Pacific, Australia is adjusting significant aspects of its foreign and security policy to the magnetic pull of China, which was dramatized for Canberra through the middle of 2009 by an outburst of Chinese official anger directed at Australia. Other important influences to consider include the so-called "Kevin Rudd" effect, the global economic crisis, and the ongoing conflicts in the Middle East.