### Pacific Forum CSIS Honolulu, Hawaii



PacNet

The May 2011 issue of Comparative Connections is available at <u>http://csis.org/program/comparative-connections</u>.

#### **Regional Overview: Shaking the Foundations** by Ralph A. Cossa and Brad Glosserman

The biggest headlines during the first four months of 2011 were generated by the triple tragedy in Japan, which left Tokyo (and much of the rest of the world) shaking, especially over nuclear safety. On the Korean Peninsula, Chinese concerns about the ROK/US "enough is enough" (over?)reaction to North Korean aggressiveness resulted in Beijing's acknowledgment that the road to a solution must run through Seoul, providing a new foundation for a resumption of Six-Party Talks. Meanwhile, elections among the Tibetan diaspora began a long-anticipated political transition, shaking Chinese policy toward the province. More fighting between Thailand and Cambodia over disputed borders has rattled ASEAN as it challenges the most important of its guiding principles - the peaceful resolution of disputes. Economic developments all highlighted growing doubts about the global economic order and the US leadership role.

### US-Japan Relations: Responding to Multiple Crises

by Michael J. Green and Nicholas Szechenyi

The earthquake, tsunami, and nuclear disaster that struck Japan March 11 tested the leadership credentials of the Kan government and alliance coordination during simultaneous crises. With the exception of disconnects in assessing the nature of the nuclear emergency at the Fukushima Daiichi plant, the March 11 tragedy revealed the strength of the alliance as the Obama administration demonstrated US solidarity with Japan by announcing a partnership for reconstruction to support Japan's recovery. Prime Minister Kan reshuffled his Cabinet for the second time and unveiled a policy agenda aimed at "the opening of Japan" but faced scrutiny for failing to usher budget-related legislation through a divided Diet. Bilateral diplomacy proceeded apace and was aimed at advancing economic and security cooperation, though a controversy over alleged remarks about Okinawa by a senior US diplomat had the potential to cause another crisis in the alliance.

# US-China Relations: Pomp and Substance: Hu's State Visit to the US

by Bonnie Glaser and Brittany Billingsley

High-level contacts between the US and Chinese militaries resumed in January with a visit by Defense Secretary Robert Gates to China. Immediately following his trip, President Hu Jintao traveled to the US for a state visit. The occasion combined informal discussion with all the trappings of a state visit by a leader from an important country. Both countries exerted great efforts to ensure the visit's success, which put the bilateral relationship on more

solid footing after a year that was characterized by increased tensions and discord. At the invitation of Secretary of State Hillary Clinton, State Councilor Liu Yandong made a week-long visit to the US in mid-April. China held its annual "two meetings" – the National People's Congress and the Chinese People's Political Consultative Congress – and endorsed the 12<sup>th</sup> Five-Year Plan for National Economic and Social Development.

## **US-Korea Relations: Under the Shadow of 2010** by Victor Cha and Ellen Kim

The US and South Korea continued strong solidarity and close policy coordination on North Korea in early 2011. The US made repeated calls for North Korea to improve its relations with South Korea and show sincerity about denuclearization. The Hu Jintao visit to the US in January paved the way for the first inter-Korean talks since the Yeonpycong shelling, although they collapsed as the two Koreas could not resolve their dispute over the sinking of the Cheonan. Meanwhile, the US and South Korea agreed to pursue a UNSC Presidential Statement that would denounce North Korea's uranium enrichment program. Possible resumption of US food aid and Jimmy Carter's Pyongyang visit were new variables, although neither brought any change. The KORUS FTA looks near its long-awaited passage in the Congress.

## US-Southeast Asia Relations: Dismay at Thai-Cambodian Skirmishes by Sheldon Simon

The US and ASEAN were dismayed by border skirmishes between Thailand and Cambodia, which call into question the two countries' commitment to the ASEAN rule of peaceful settlement of disputes. Washington promised to aid Philippine maritime capabilities to patrol its territorial waters as part of the US goal of keeping Asian sea lanes open. In Indonesia, the US embassy inaugurated a new public diplomacy program, *@america*, an interactive information technology site designed to demonstrate the breadth of American life. As the current ASEAN chair, Indonesia seemed to follow Secretary of State Clinton's call for an ASEAN role in resolving the South China Sea islands dispute. While ASEAN called for lifting economic sanctions on Burma, Washington seems in no hurry to follow suit. The US promised high-level participation in ASEAN-led regional organizations.

#### China-Southeast Asia Relations: China Reassures Neighbors, Deepens Engagement by Robert Sutter and Chin-Hao Huang

The reassuring message of good neighborliness and cooperation that China reverted to at the end of 2010 continued into 2011. The shift was reflected through more positive attention to Southeast Asia and other neighbors,

seeking to advance extensive Chinese engagement, especially

rapidly growing economic interchange, while endeavoring to play down differences over territorial disputes and other questions. Wariness remained over US policies and practices, but disputes were registered less frequently and in less strident tones. China's handling of issues in the South China Sea remained moderate, although it showed few signs of compromise, seeking instead to "shelve" differences or engage in protracted diplomacy. Meanwhile, China endeavored to solidify relations with neighboring Myanmar by sending a senior Communist Party leader to the country's capital.

#### China-Taiwan Relations: Steady as She Goes

by David G. Brown

The Cross-Strait Economic Cooperation Committee held its first meeting in February, an important step in implementing the Economic Cooperation Framework Agreement. Both Beijing and Taipei believe this year will see steady consolidation of cross-strait relations, but few new agreements. The backdrops of this modest prospect are the leadership transitions underway on both sides of the Taiwan Strait. Evidence of PLA modernization confirms that military capabilities threatening Taiwan continue to increase, confronting Washington with difficult decisions on arms sales to Taiwan.

### North Korea-South Korea Relations: Not Getting Better by Aidan Foster-Carter

The first four months of 2011 saw no real improvement in relations between the two Koreas. Their sole official contact, military talks in February, broke up in acrimony after two days. A slight easing of South Korea's aid restrictions in April was in response to dire humanitarian need in the North, and probably does not indicate a wider thaw. There was the hint of back-channel talks, but no progress. The obstacles are familiar. Pyongyang's peace offensive as the year began did not impress Seoul as it failed to deal with two stumbling blocks: the sinking of the *Cheonan* and the shelling of Yeonpyeong Island. The North continues to deny all responsibility for the former and insists it was provoked into the latter. This appears to be a recipe for stalemate, perhaps for the rest of Lee's presidency, which ends in February 2013 – although in Korea surprises are always possible.

#### China-Korea Relations: Can Inter-Korean Dialogue Revive Six-Party Talks? by Scott Snyder and See-won Byun

In the aftermath of North Korea's shelling of Yeonpyeong Island, China showed great concern about the possibility of escalation. The January summit between Presidents Hu and Obama served to reduce tensions to some degree and China has stepped up calls for "creating conditions" for the resumption of Six-Party Talks. Although South Korea in April agreed to China's proposed "three-step" process toward restarting Six-Party Talks, this plan makes the resumption of multilateral talks depend most critically on consensus on preconditions for inter-Korean talks, which remain stalled. Despite the stalemate on denuclearization of the DPRK, China and South Korea have attempted to stabilize and consolidate cooperation on other issues through bilateral contacts and three-way talks with Japan.

#### Japan-China Relations: Looking for Traction by James J. Przystup

Old problems – the Senkaku fishing boat incident, the East China Sea, and China's increasing maritime activities in waters off Japan – persisted in early 2011. Efforts by Japan to keep lines of communication open with China's leadership included a visit to China by members of the Diet and Japan's senior vice minister for foreign affairs. The China-Japan Strategic Dialogue resumed in Tokyo at the end of February. Less than two weeks later, the March 11 earthquake and tsunami hit Japan. China responded by providing emergency assistance and sending a rescue and medical team. Prime Minster Kan personally thanked China's leadership and the Chinese people for their assistance, support, and encouragement. The *Asahi Shimbun* offered the hope that the crisis could provide a fresh start in Japan's relations with its Northeast Asian neighbors.

### Japan-Korea Relations: Japan's Tragedy Overshadows Everything by David Kang and Jiun Bang

The triple tragedy in Japan overshadowed all other regional events in the first four months of 2011. The earthquake, tsunami, and nuclear crisis in March shone a spotlight on a country that had long been seen as an economic powerhouse. As its closest neighbors, both Koreas offered condolences and aid to and led to some hope that a stronger relationship could emerge between Japan and the Korean Peninsula. However, the tragedies did not remove the difficult issues or fundamentally alter longstanding trends. It remains to be seen whether and to what extent the Fukushima earthquake marks a new era in Japan, but in the short term the Japanese will be focused more internally than externally as they concentrate on recovery and rebuilding.

## **China-Russia Relations: Mounting Challenges and Multilateralism** by Yu Bin

China-Russia economic relations were "reset" on New Year's Day when the 1,000-km Skovorodino-Daqing branch pipeline officially opened. The pipeline, which took 15 years from conception to completion, will transport 15 million tons of crude annually for the next 20 years. The low-key ceremony marking the launch of the pipeline was followed by several rounds of bilateral consultations on diplomatic and strategic issues in January. In March and April, Moscow and Beijing sought to invigorate their "joint ventures" – the Shanghai Cooperation Organization (SCO) and the Brazil, Russia, India, China (BRIC) forum – at a time when both Moscow and Beijing feel the need for more coordination to address regional and global challenges and crises.