



# Pacific Forum Update

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Issues & Insights is Pacific Forum's publication series that includes monographs, conference reports and working papers. These in-depth analyses cover a range of topics and are published on an occasional basis. The following have been published in 2018 and are available online [here](#).

## **Issues & Insights Vol. 18 - CR1**

[A Realistic Way Forward for the US-China Strategic Nuclear Relationship](#) by Ralph Cossa, Brad Glosserman and David Santoro

The China Foundation for International and Strategic Studies (CFISS) and the Pacific Forum, with support from the US Defense Threat Reduction Agency (DTRA) and the Air Force Academy's Project on Advanced Systems and Concepts (AFA/PASCC) on Countering Weapons of Mass Destruction, held the 11th "China-US Strategic Nuclear Dynamics Dialogue" in Beijing, on August 17-18. Attended by some 80 Chinese and US experts, officials, military officers, and observers, along with Pacific Forum Young Leaders, all in their private capacity, this annual, off-the-record track-1.5 dialogue examined one specific aspect of the US-China relationship: the strategic nuclear dimension. The dialogue focused on issues ranging from strategic stability, deterrence, and reassurance to nonproliferation and nuclear safety and security. This year, discussions covered US and Chinese comparative assessments of the world's strategic nuclear landscape, the future of US-China strategic stability, US nuclear strategy and policy review, China's military reform and nuclear policy, and options and measures to enhance US-China strategic reassurance, both in general and via specific confidence-building measures (CBMs), notably in the nuclear, space, and cyber domains.

This report reflects the views of its authors. It is not a consensus document. A longer and more comprehensive version is available upon request.

## **Issues & Insights Vol. 18 – WP1**

[The Lancang-Mekong Cooperation Mechanism \(LMCM\) and its implications for the Mekong sub-region](#) by Nguyen Dinh Sach

This paper will examine how the LMCM fits into the national development strategies of Mekong riparian countries and identify possible associated risks for downstream countries. As the initiator and its strongest supporter, China is the only country that has articulated a clear vision for the LMCM, which serves China's strategy to expand its influence in the region through building and

promoting China-led cooperation mechanisms. For other Mekong riparian states, the LMCM mostly fits into their interest in poverty reduction, agricultural development, and improving connectivity.

Although this initiative does contribute to overall cooperation in the Mekong basin, it also poses some possible risks for downstream states such as economic dependence due to Chinese economic dominance, reduced ability in adopting monetary policy, and the probability of indebtedness to China. Other risks might occur due to the increased unemployment rate, the introduction of Chinese laborers, and negative environmental impacts. Based on the potential risks, this paper recommends strategies for Mekong states to minimize risks while taking advantage of the LMCM for their national development and regional cooperation.

## **Issues & Insights Vol. 18 – CR2**

[Addressing Weaknesses in the Trilateral Relationship](#) by Shelley Brandt

In June 2017, Young Leaders were invited to observe and participate in the US-ROK-Japan Trilateral Strategic Dialogue held in Maui, Hawaii. The dialogue was hosted by the Pacific Forum, with support from the Defense Threat Reduction Agency (DTRA) and the US Air Force Academy Project on Advanced Systems and Concepts on Countering Weapons of Mass Destruction (AFA PASCC). Forty officials and experts from the United States, Japan, and the Republic of Korea (ROK), along with 20 Pacific Forum Young Leaders, attended in their private capacity. During the two-day dialogue, participants played out a tabletop exercise (TTX) to explore each country's thinking about regional security, US extended deterrence, and ways to strengthen trilateral cooperation in Northeast Asia.

The Young Leaders were divided into teams to critically analyze the TTX discussion and responses. In their responses, all groups highlighted the difference in threat perceptions from each country. The Young Leaders were acutely aware of the impact domestic politics would play in a real conflict although they did not play into the TTX. All of the groups also pointed out the need for greater expertise in cyber issues. To maintain peace and stability in East Asia, the trilateral alliance must address the weaknesses in their relationships exposed by scenarios like the one in this TTX.

## **Issues & Insights Vol. 18 – CR3**

[Myanmar Shows Progress on Nonproliferation Despite Challenges](#) by Crystal Pryor

The Pacific Forum, in coordination with the Myanmar Institute of Strategic and International Studies (MISIS) and support from the US Department of Energy's National Nuclear Security Administration (DOE/NNSA), held the fifth Myanmar-US Nonproliferation Dialogue in Naypyidaw, Myanmar, Nov. 30-Dec. 1, 2017. Some 45 US and Myanmar experts, officials, military officers, and observers attended, all in their private capacity, along with four Pacific Forum young leaders. The off-the-record discussions focused on future directions of Myanmar's relationship with the West; implementation of nuclear nonproliferation protocols, the Biological and Chemical Weapons Conventions, and strategic trade controls; and opportunities for enhancing Myanmar's role in ASEAN nonproliferation networks.

**Issues & Insights Vol. 18 – WP2**

[Japan's Defense Exports: "Three Years of Sitting on a Stone"](#) by Crystal Pryor and Michael Hadlow

The Japanese proverb, *ishi no ue san nen* (石の上三年) translates literally as "three years on a stone." It conveys a lesson in patience: three years sitting on a cold stone will eventually make it warm. It has been more than three years since the Abe government lifted restrictions on Japan's defense exports, but sales of defense products overseas have yet to heat up. This paper focuses on the contradiction created by Japan's overall stance as a pacifist country that does not, and likely will not, possess an offensive military force and the change in direction Tokyo recently made to allow overseas military sales. In particular, the bureaucracy in Japan has acted as gatekeeper, policing export opportunities while allocating insufficient resources to promoting the defense industry. For Japan to achieve its stated goal of increased defense exports, officials across the defense export-related ministries must contribute to warming the stone.

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**Issues & Insights Vol. 18 – CR4**

[Re-Examining Preventive Diplomacy in Southeast Asia](#) by Carl Baker and Jeffrey Ordaniel

A Workshop on Preventive Diplomacy Feb. 25-27, 2018 was held in Siem Reap, Cambodia. Hosted by the Cambodian Institute for Cooperation and Peace and co-chaired by the Pacific Forum and the S. Rajaratnam School of International Studies (RSIS), the workshop brought together some 35 foreign policy specialists, subject-matter experts and government officials from around the region, all attending in their private capacities. Together, they re-

examined preventive diplomacy as a concept, debated its evolution, meaning and practice, and provided policy prescriptions for ASEAN vis-à-vis the region's inter-state, intra-state and trans-state security challenges.

**Issues & Insights Vol. 18 – CR5**

[Building Bridges for the Nonproliferation and Disarmament Agenda in the Indo-Asia-Pacific](#) by David Santoro and Crystal Pryor

USCSCAP and CSCAP Vietnam co-chaired the fifth meeting of the CSCAP Study Group on Nonproliferation and Disarmament (NPD) in the Asia Pacific. The meeting took place in Seoul, Republic of Korea on April 4, 2018, on the front-end of the ASEAN Regional Forum Inter-Sessional Meeting on Nonproliferation and Disarmament (ARF ISM on NPD). Approximately 40 senior scholars and officials as well as 10 Pacific Forum Young Leaders attended, all in their private capacity. The off-the-record discussions focused on recent developments in nonproliferation and disarmament, the Korean Peninsula and denuclearization, the Comprehensive Nuclear-Test-Ban Treaty (CTBT), and ways to enhance collaboration between nuclear-armed and non-nuclear-armed states on nuclear risk reduction.

**Issues & Insights Vol. 18 – CR6**

[The Road Ahead for Nuclear Governance in the Indo-Asia-Pacific](#) by David Santoro and Crystal Pryor

The Pacific Forum, in partnership with the S. Rajaratnam School of International Studies (RSIS) of Singapore and the University of Sydney in Australia, and with the support of the Carnegie Corporation of New York, held a Nuclear Energy Experts Group (NEEG) meeting in Singapore on Jan. 22-23, 2018. It brought together approximately 40 specialists from 18 countries in the Asia Pacific and beyond, all attending in their private capacities. The participants joined a day and a half of not-for-attribution discussions on ways to build nuclear governance and improve nuclear safety, security, and safeguards culture in the region. Participants also reflected on the future of nuclear power development in the Asia Pacific and the regional networks that undergird trade and knowledge transfers in nuclear-related industries and institutions.

**Issues & Insights Vol. 18 – CR7**

[STC Champions Encourage Progress in Southeast Asia](#) by Crystal Pryor

The Pacific Forum and the Diplomatic Academy of Vietnam, with support from the US State Department's Export Control and Related Border Security Program, held the third Seminar on Strategic Trade Controls in Southeast Asia in Hanoi, Vietnam on July 24-26, 2018. Nearly 50 senior scholars and officials attended in their private capacity. Off-the-record discussions focused on structures

of strategic trade control (STC) systems and the status of national STC implementation in Southeast Asia. There was also discussion on the relationship between UN Security Council Resolution (UNSCR) 1540, strategic trade controls, and sanctions. Each session included presentations to introduce the topic followed by a discussion offering all participants the opportunity to pose questions and share related ideas and experiences.

“STC is about monitoring, not about forbidding trade.”