U.S.-China Workshop:
Searching for a New Vision

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Executive Summary

The United States-China relationship continues to evolve. Both countries are debating the nature of relations with the other, but no firm conclusions are possible as they try to assess and manage highly dynamic and potentially unstable change, both internally and externally. The sixth round of the annual U.S.-China workshop that was sponsored this year by the Pacific Forum CSIS, the Center for American Studies at Fudan University, and the CNA Corporation studied the forces at work on the relationship and focused on ways to build and maintain positive relations between the two countries.

The dominant view in the U.S. is that China is rising and the U.S. must work with that country. At the same time, however, there is unease about the economic impact of that rise, Beijing's economic policies, and a military modernization program that seems disproportionate to threats; these fears are exacerbated by a lack of transparency regarding Chinese capabilities and intentions. China's relations with "rogue regimes" also generate concern. President Bush is trying to contain these pressures and work with Beijing to build a positive and constructive relationship. Significantly, there's a growing sense that the U.S.-China relationship is the most important bilateral relationship for the U.S.

From a Chinese perspective, the relationship is stable, but complicated. Chinese insist the core issue is how the U.S. will view China's rise. They argue that China's U.S. policy will be determined by the U.S. debate. They insist Washington should accommodate a rising China, but China must learn to become a responsible state and fulfill its international obligations. Americans counter that China must acknowledge and take responsibility for its behavior. Beijing cannot suggest it is a passive player in that process or in its relationship with the U.S. Its behavior and actions shape the U.S. debate and U.S. responses to China.

In this environment, trust is paramount. Despite the positive rhetoric, distrust is high and mutual confidence is a precious commodity. Chinese still fear the U.S. is attempting to block its rise or will contain China once it has risen; Americans fear China aims to supplant it as the dominant power in the Asia Pacific. Neither is reassured by the other's assurances that those fears are ungrounded. Opening a senior-level dialogue is a good step, but progress rather than posturing is needed to develop the relationship.

The military dimension is a perplexing element of the relationship. China is the only country that the U.S. has a normal relationship with, yet both militaries also engage in planning, games, and exercises aimed at the other. And this is despite growing mil-mil relations. Beijing's unwillingness to renounce the use of force in the event of a declaration of independence by Taiwan means that the possibility of conflict between the U.S. and China remains very real. Taiwan focuses Chinese military modernization on the need to deter the U.S., and the capabilities needed to prevail in a cross-Strait conflict could be used to protect Chinese interests elsewhere in the region.

Chinese are more confident when it comes to cross-Strait relations: they feel the situation has changed fundamentally in their favor. They warn that U.S. policy toward Taiwan will be read as a signal of U.S. intentions. For China, the task now is keeping cross-Strait relations moving in their current direction and maintaining existing momentum. While the U.S. is pleased with the new optimism, Americans argue the failure of the Chinese government to reach out to Chen Shui-bian and the Taiwan government (and not just to opposition leaders) is a mistake.

Seeming progress in the Six-Party Talks has helped the U.S.-China relationship, although there are questions about China's role in the negotiations. Chinese insist Beijing has not been a passive presence in the negotiating process – as some Americans allege – and has worked to push all parties toward a solution. Americans remain skeptical.

Views are divided on East Asian integration. The process will be difficult but Chinese argue progress will benefit the entire region and the U.S. Therefore, Washington should support community-building efforts. The U.S. is not worried about the East Asian Summit, mostly because it is unclear what the summit is or its purpose. The U.S. remains in a wait-and-see mode, and is closely watching Beijing's behavior. All agree that East Asian integration is a good idea, but much depends on how it's put into practice.

Existing cooperation on counterterrorism, North Korea, and Taiwan provides a foundation for building stronger relations. Persistent strategic mistrust will continue to be a concern: transparency is good, but hedging will continue. The two countries must work harder to manage China's rise and Americans called on Chinese leaders to better understand other countries' concerns and to do more to ease them.

There is a need for a new vision for the U.S.-China relationship. The description of the relationship as "candid, constructive, cooperative – and complicated" is no longer sufficient. Chinese participants suggested the two countries start using the word "partnership." This requires a better understanding of the goals the two countries wish to achieve, the burdens they share, and how responsibilities will be apportioned. And that requires a far more direct and honest dialogue than has been the case thus far. China must explain how it will use its power as it rises. Washington will demand that the relationship be more than process and produce substantive results. It will look for Beijing to provide positive contributions to issues of mutual concern, consistent with international norms.

China and the U.S. are struggling to define their relationship as China undergoes an unprecedented transition. The U.S. is prepared to accept China's rise – it has no choice – but it seeks to ensure that the China that emerges will be a good global citizen, will not challenge the existing order, and will work with the U.S. to ensure that both nations' interests – and those of the entire world – are protected and advanced. Both nations are uncertain about how they will relate to each other as their relationship intensifies and becomes more complex.

U.S.-China Workshop: Searching for a New Vision

Conference Report

The United States-China relationship continues to evolve. Both countries are debating the nature of relations with the other, but no firm conclusions are possible when both countries are trying to cope with stresses in domestic politics brought about by a changing international environment and the interaction of the domestic and external events. In other words, leaders in both countries are trying to assess and manage highly dynamic and potentially unstable change, both internally and externally.

There are many uncertainties and many variables. The scale of the two countries and their impact on the region and the world complicate and make understanding more difficult. At a time of immense change, how do we evaluate short-term trends and developments? There is a growing sense that time horizons are too short. Both countries need to focus on long-term trends, but that raises equally unanswerable questions. How do we define intentions? How, in short, do we achieve the mutual understanding and build the mutual trust that is essential not only to the relationship between these two countries, but to the region and the world as a whole?

The experts and former officials who have joined the U.S.-China workshop sponsored by the Center for American Studies at Fudan University, the CNA Corporation in Washington, and the Pacific Forum CSIS understand the importance of the bilateral relationship and are committed to building and maintaining positive relations between the two countries. This year, some 40 experts and officials met for the sixth round of this annual dialogue in Honolulu. The report that follows represents the views of the rapporteur; it is not a consensus document; it seeks to present the main themes articulated at the conference.

The year in review

Charles Morrison, of the East-West Center, began our discussion with an assessment of developments since our meeting last year in Shanghai. The dominant view in the United States, Morrison noted, is that China is rising and the U.S. must work with that country. At the same time, however, the U.S. is conflicted: there is unease about the economic impact of China's rise and Beijing's seeming pursuit of predatory economic policies. There are worries about a military modernization program that seems disproportionate to the threats in the strategic environment; these fears are exacerbated by a lack of transparency regarding Chinese intentions.

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Domestic politics contributes to the friction. Iraq is the foremost preoccupation of U.S. policy makers, depriving other issues of attention and resources. Frustrations created by the situation in Iraq tempt politicians to lash out at other problems: China is a convenient scapegoat. A growing sense that President Bush is a lame duck and the beginning of jockeying for the 2008 presidential campaign also put China policy in play.

President Bush is trying to contain these pressures and work with Beijing to build a positive and constructive relationship. Significantly, noted Morrison, there's a growing sense that the U.S.-China relationship is the most important relationship for the U.S. No regional questions can be answered without taking into consideration China's views or without dealing with Beijing.

Ni Shixong, director of the Center for American Studies at Fudan University, provided a Chinese perspective on the relationship. It was, interestingly, brighter than that given by Chinese participants at our meeting last year. Overall, he considers the relationship to be relatively stable, but quite complicated. Cooperation remains the main trend, but there's increasing realism on both sides. Ni describes the last year as "one of the best periods since the establishment of formal diplomatic relations between the two countries in 1979." He credits "the three maintenances" for this. They are: the maintenance of frequent high-level contacts between the two countries (phone calls, visits, and meetings); the maintenance of strategic dialogue between them (the decision to establish a senior-level dialogue is an especially good sign); and the maintenance of strong momentum for Sino-U.S. cooperation.

Of course, obstacles and problems persist. He identified four: human rights, trade and economic issues (including trade deficits, the revaluation of China's currency, protection of intellectual property rights, textile tariffs, China's market economy status, and hostility to the purchases of U.S. companies by Chinese corporations), the Korean nuclear crisis, and Taiwan. The latter two are especially tricky. Signs of progress in negotiations over North Korea's nuclear weapons programs have helped ease the tension between Washington and Beijing that has been created by this issue. The momentum regarding Taiwan appears to have shifted, with the mainland now holding the upper hand in this contentious relationship. (Both subjects are taken up in more detail below.)

For China, the core issue is how the United States will view China's rise. According to Ni, "The nitty gritty of China's rise is: China's rise is inevitable; China's inevitable rise is peaceful. China will rise in peace, by peace, and for peace." The perception of China's rise will determine U.S. policy, and China's U.S. policy, Ni warned, will be determined by the United States. It is promising, then, that Secretary of State Condoleezza Rice has said the U.S. welcomes a peaceful, prosperous, and stable China. The U.S., Ni argues, should accommodate a rising China. At the same time, China must learn to become a more responsible state and fulfill its international obligations.

Our discussion focused on the proper characterization of the relationship. Secretary of State Colin Powell's description of relations as "the best ever" made many Chinese uncomfortable. They are much happier saying that it is increasingly complicated and complex, with growing interaction on virtually every level. As one Chinese participant put it, "there are growing pains and growing gains."

Increased interaction, however, does not necessarily make understanding easier. Observers have different objects to focus on, and that focus often determines the conclusions reached. From an economic perspective, the relationship is largely positive; a political perspective tends to focus on the negative. Chinese stress at every opportunity that China's rise will be peaceful but Americans counter that is beside the point: the question is what happens when China has risen. The Shanghai Cooperation Organization's call for the removal of all foreign bases in Central Asia is considered a troubling indication of Chinese intentions. An American participant said Beijing's readiness to extend every diplomatic courtesy to "rogue regimes" such as Zimbabwe, Uzbekistan, Sudan, and others says much about China's respect for international law and the norms that govern international society. Beijing's readiness to embrace these unsavory regimes suggests that the use of Chinese power may not be as principled as its leaders have intimated.

The most important point, as one American participant noted, is that China must acknowledge and take responsibility for its behavior. China has growing power, regional concerns, and global interests. Beijing seeks to have its status recognized by the rest of the world. There must be a better understanding in both capitals of what China's rise and what China's demand for recognition of its rise mean in practical terms. Beijing cannot continue to suggest it is just a passive player in that process or in its relationship with the U.S. It must understand that its behavior and actions shape the U.S. debate and U.S. responses to China. Chinese participants countered that their leadership's attention likely will be focused on domestic concerns and the huge internal challenges the country faces as it continues to develop.

In this environment, trust is paramount. It is quite plain that despite the positive rhetoric, distrust is high and mutual confidence is a precious commodity. Chinese still fear the U.S. is attempting to block its rise or will contain China once it has risen; Chinese participants pointed to Secretary Rice's March speech at Japan's Sophia University – which enumerated a list of nations whose relations with the U.S are improving, all of them on China's periphery – as proof of U.S. intentions. The U.S. response that a containment policy would look very different from current U.S. policy has little impact. Americans fear China aims to supplant it as the dominant power in the Asia Pacific. Chinese dismiss this fear as groundless.

A Chinese participant called on the two countries to "foster similarities, decrease differences, and avoid confrontation." Another said the U.S. must learn to accommodate a rising China while China learns to accommodate a hegemonic U.S. He explained that in practical terms, it means China will continue to oppose hegemonism, but it will not

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challenge the U.S. role; China will oppose interference in the internal affairs of sovereign states but will at the same time welcome a constructive security role for the U.S. While that appears to provide a theoretical foundation for a productive relationship, one American participant asked if China could be a constructive partner for the U.S. as long as it adheres to a doctrine of strict noninterference in domestic affairs.

Security relations and military-to-military dialogue

The military component is one of the most perplexing elements of the China-U.S. relationship. Michael McDevitt, director of the Center for Strategic Studies at CNA Corp., argued the relationship is unique because China is the only country that the U.S. has a normal relationship with, yet both militaries engage in contingency planning, war games, and exercises aimed at the other. The source of this paradox is Taiwan – not Taiwan per se, but the possibility of a conflict over Taiwan. Beijing's unwillingness to renounce the use of force in the event of a declaration of independence by Taiwan means that the possibility of conflict between the U.S. and China remains very real.

McDevitt argued that Taiwan creates another dynamic in the relationship: it focuses Chinese military modernization on the need to deter the U.S., and the capabilities needed to prevail in a cross-Strait conflict could also be used to protect Chinese interests elsewhere in the region. As a result, the U.S. military must factor China into its planning both short- and long-term. This creates an action-reaction dynamic, heightens mistrust, and builds tension into the bilateral relationship.

McDevitt provided an overview of China's December 2004 Defense White Paper. He calls it an important document that reflects increasing sophistication and confidence on the part of the Chinese military. It shows that China shares the U.S. view that the global war on terrorism will be long and demanding and success requires dealing with the root causes of terrorism. It underlines troubling concerns, such as the structure of the global order, a growing competition for resources, and the increasing importance of national military power. According to the document, the Chinese military is giving increasing importance to the air force, navy, and the second artillery in a bid to strengthen capabilities that would allow it to control the sea and air, a clear signal of China's intent to prevail in a conflict over Taiwan. The white paper makes plain that China will "resolutely crush at any cost" a declaration of independence by Taiwan, regardless of the impact on the region.

In assessing the 2005 Department of Defense report on the People's Liberation Army, McDevitt noted that criticism by both the Chinese government and U.S. neo-cons implies that the report was generally balanced. It raised basic questions, such as why China is building up its military at such a rapid pace, especially when it risks upsetting the military balance in the Pacific and alarming its neighbors. It decried the lack of transparency on the part of Chinese military planners. While the report is a warning, McDevitt noted that even in two decades, China's GDP – and hence the economic

resources it can marshal on behalf of the nation – will be a little over one-quarter of those available to the U.S.

He described the senior-level dialogue recently initiated with Beijing as an effort to better integrate China into international institutions and to develop ways for the two countries to work together in the pursuit of common interests. He warned that the desire (or necessity) to work with China does not mean that the U.S. will not hedge against a possible downturn in relations, however.

Guo Xinning, of China's Institute for Strategic Studies at the National Defense University, applauded the smooth development of military relations over the past 4-5 years. The two countries have adopted a comprehensive security agenda and are tackling a wide range of issues of global and regional significance. Military-to-military relations include exchanges, visits by Joint Chiefs of Staff, National Defense University delegations, and visits by ranking military officials.

Nevertheless, Guo (like others) highlighted the deep-rooted mutual suspicion and lack of confidence. He bemoaned the mixed signals the U.S. sends and called on both sides to maintain the momentum in efforts to build trust and confidence. He said that U.S. policy toward Taiwan will be read as a signal of U.S. intentions. He argued that transparency at the strategic level is more important that at the tactical; seemingly, confidence is built at the top and it trickles down to other layers of the relationship.

There is a paradox at the heart of U.S.-China relations: the mood is optimistic, but mistrust is profound, particularly among the two militaries. The decision to open a senior-level dialogue is taken as a good sign by both sides, but it is unclear whether the dialogue will result in progress or mere posturing. One U.S. participant warned that China's ability to respond to U.S. demands for action will determine the success of this dialogue. If China seeks to use this mechanism to avoid dealing with certain problems, such as Taiwan, then it will harm rather than help the bilateral relationship.

On a military level, the need for confidence building measures is plain. Yet Chinese concerns about increased transparency mean that the process of building CBMs must be evolutionary, slow, and proceed at a pace at which both parties are comfortable. They should start in nonsensitive areas, such as a strategic dialogue among institutions or by promoting exchanges among educational institutions and universities.

Two other relationships came up in this discussion. Chinese expressed concern about the strengthening of the U.S.-Japan security relationship as made plain in the Feb. 19, 2005 joint declaration by the Security Consultative Committee (SCC). Chinese worry that a revitalized U.S.-Japan security alliance and a larger role for Japan in security matters in the region is ultimately intended to contain China. Americans struggled to reassure Chinese counterparts that the SCC statement is the culmination of a planning process that began over a decade ago and is a response to a changed security environment

rather than a China threat. Moreover, one counseled, Chinese should be aware that their behavior contributed to Japan's desire to seek closer security cooperation with the U.S.

For their part, Chinese insisted that closer China-Russia military relations, exemplified by *Peace Mission 2005,* a week-long exercise between the two militaries that occurred as we met, should not concern the United States or others. It was a natural outgrowth of the 1997 Russia-China strategic partnership and was merely one in a series of counter-terrorism exercises the two countries have joined. Chinese called on Washington to open a dialogue with China to discuss joint military exercises between the two countries.

Cross-Strait challenges

It was in our discussion of relations between the mainland and Taiwan that the change in the Chinese mood was most evident. Most Chinese feel that the situation has changed fundamentally since we last met. Concerns that Taiwan leader Chen Shui-bian would make progress toward independence have diminished substantially. Visits by three opposition leaders to the mainland have convinced the Chinese leadership and observers of the cross-Strait relationship that the momentum has shifted and Beijing is ascendant.

Ding Xinghao, of the Shanghai Institute for American Studies, laid out the factors influencing Chinese perceptions of the cross-Strait relationship. He highlighted the visits of the opposition leaders, saying that "the protracted political confrontation has been broken, which indicates that the cross-Strait relationship has entered a new stage." A new atmosphere has been created for the two sides to engage in dialogue and he sees the election of Ma Yang-jeou, the mayor of Taipei, as chairman of the opposition KMT as proof of a new attitude in Taipei. Rising economic interaction, and Taiwan's growing dependence on the mainland for its economic growth, contribute to the new mood.

The United States, argues Ding, is empowered by the existing triangular relationship. It has leverage in Beijing and Taipei as both look to Washington to influence the other partner. Significantly, China now acknowledges the U.S. can be a positive force in cross-Strait relations.

All three parties believe the cross-Strait status quo should be maintained, although each defines the status quo differently. Each government must work to see that these differences do not lead to miscalculations and missteps. Dialogue between China and the U.S. is one way to ensure mistakes do not occur, said Ding.

Denny Roy, of the Asia-Pacific Center for Security Studies, provided a U.S. perspective on cross-Strait relations. He agreed that the momentum has shifted following the December 2004 Legislative Yuan elections and visits by Taiwanese opposition leaders to the mainland. Chinese confidence has been bolstered by passage of the Anti-Secession Law and rising economic interdependence between the two sides of the Strait.

Nevertheless, the political standoff between Beijing and Chen continues. The failure of the two militaries to adopt CBMs is troubling, but the truth is the PLA has little interest in reassuring Taiwan; intimidation is the message it wishes to send.

A Chinese participant explained that Beijing's priorities have shifted in the last year. In 2004, China wanted to prevent Chen from taking steps that would destabilize the relationship. Today, the task is keeping cross-Strait relations moving in their current direction and maintaining the existing momentum. An American countered that while the U.S. is pleased with the new optimism, the failure of the Chinese government to reach out to Chen is a mistake. Moreover, the Chinese must understand that a new president in Taipei will not bring about reunification: there is no constituency for that in Taiwan today.

Another Chinese participant explained Beijing was not unrealistic. It understands that a quick breakthrough is impossible; instead its goal is to realize stability across the Strait. That allows China to concentrate on economic development, its overriding priority. China has reached out to Chen's party, the Democratic Progressive Party. Mayors and legislators have been invited to visit China, but Chen blocked them, alleged our Chinese colleagues. An American participant encouraged the Chinese to be patient: geography favors the mainland. Taiwan will always be in China's shadow and time is on the PRC's side. Another U.S. participant noted that electoral reforms in Taiwan are also having an effect and are likely to moderate Taiwanese politics.

Americans tried to end speculation that the U.S. favors a continuing division of Taiwan and the mainland. The U.S. is committed to a peaceful resolution of the situation. At the same time, however, any solution must reflect the will of the Taiwanese people. Until then, the U.S. remains prepared to defend Taiwan. But that does not mean the U.S. favors division for its own sake. In fact, argued one American participant, tensions in the Taiwan Strait are "a bleeding sore" that is counter to U.S. interests. It is a flashpoint and an impediment to better relations with China.

While the U.S. will work with China on this and other issues, Americans insisted that dialogue with the U.S. is no substitute for dialogue with the elected authorities of Taiwan. The U.S. will work to encourage a cross-Strait conversation, but it will not work with China against Taiwan.

Korean Peninsula challenges

Our fourth session focused on challenges on the Korean Peninsula. Scott Snyder, of the Pacific Forum CSIS and the Asia Foundation, began with an assessment of the fourth round of Six-Party Talks, which began at the end of July and recessed just before we met. Snyder believes significant changes were evident in the latest round. The U.S. has adopted a new approach and appears more flexible and ready to make a deal. North Korea's readiness to negotiate was a change in itself. And China and South Korea have

both played more aggressive supporting roles to facilitate a dialogue between Washington and Pyongyang.

In Snyder's view, China is playing the role of facilitator, not that of broker or mediator. As drafter of the joint statement that was to be issued at the end of the talks – and hopefully will still be issued when they resume – Beijing's basic approach was to split the difference between Washington and Pyongyang. Snyder asked whether this role kept Beijing from expressing its own view and whether this is consistent with the basic principles of the Six-Party Talks. After all, all six parties are partners in the talks and each has its own interests to represent. That was one of the reasons the U.S. embraced a multilateral format: it hoped to mobilize all affected countries to see that their interests called for the denuclearization of North Korea and to pressure Pyongyang to act. Equally important, Snyder said it is unclear whether China considers a nuclear North Korea to be inherently destabilizing.

The fourth round also witnessed the emergence of South Korea as a more active player in the dialogue. This new role was made possible by North Korea's Dear Leader Kim Jong-il: by meeting South Korean Minister of National Unification Chung Dong-young when he was visiting Pyongyang, Kim provided a stamp of approval on South Korea's role as go-between. Snyder believes that is also a good outcome since it gives Seoul some responsibility for the outcome of the Six-Party Talks.

Snyder believes that the prospects for the fourth round of talks are good. A joint statement appears to be within reach, and it will provide the foundations and guiding principles for continuing negotiations and an eventual settlement. He cautioned, however, that reaching an agreement is only the beginning of the process and implementation of any deal remains problematic.

Tao Wenzhao, of the Chinese Academy of Social Sciences, echoed Snyder's overall assessment of the talks. He agreed that the atmosphere has improved, that face-to-face talks between North Korea and the U.S. were a good sign, that both parties appeared more patient and were less provocative, and that there was agreement on a common goal – the denuclearization of the Korean Peninsula by peaceful means. Nevertheless, differences remain. Denuclearization means very different things to Pyongyang and Washington. The sequencing of any deal is going to be a diplomatic headache. The overall goal of normalizing relations between the two long-time bitter adversaries faces substantial political obstacles in both capitals.

Looking ahead, the chances of progress are good if the parties stick to the six-party framework, maintain the spirit of mutual respect, and keep patient. Tao anticipated that any deal would require North Korea to return to the Nuclear Nonproliferation Treaty, which would give it the right to the peaceful use of nuclear energy. Normalized relations between Washington and North Korea would be possible as long as North Korea truly denuclearizes.

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Finally, Tao explained that China has not been a passive presence in the negotiating process. Beijing has its views about desired outcomes and has not refrained from expressing them, although it does so quietly. He added that a successful resolution to the North Korean nuclear crisis would encourage the six-party framework to evolve into a regional security mechanism.

Discussion focused on two issues. The first was China's role in the talks; the second was what North Korea truly expects to get from the negotiations. Chinese participants argued that China's role has evolved. Originally, Beijing was just a host and not a direct participant. As the negotiations evolved, China developed its own stake in the process and became a broker. China has made its views clear to all parties, including North Korea, but it is done so quietly. It was suggested that the evolution in Chinese thinking is part of a broader evolution and learning process of the new Chinese leadership.

Americans agreed that the U.S. is more pleased with the Chinese role than in the past, but there are still questions about Beijing's willingness to use its leverage to nudge North Korea back to negotiations. There also remain differences between U.S. and Chinese assessments of North Korean technical capabilities and the existence of the uranium enrichment program.

Determining what North Korea wants from the talks is guesswork at best. Most fundamentally, it is unclear whether North Korea has made a strategic decision to abandon the pursuit of nuclear weapons. Is the leadership in Pyongyang truly prepared to bargain over the terms of its dismantlement of its nuclear program or is it merely stalling for time? North Korean demands that Japan be removed from the talks, that the U.S. end its presence on the Korean Peninsula, and that Washington remove all its nuclear weapons from the region, suggest Pyongyang may not be serious.

One American participant provided a more optimistic assessment, however. He noted that a few weeks ago North Korea demanded to be treated like Pakistan, as a nuclear-weapons power; now it was merely asking for the right to maintain a peaceful nuclear energy capability. That is progress.

Managing East Asian integration

Our fifth session focused on the process of building in East Asian community and the dynamics of integration. Wu Xinbo, of the Center for American Studies at Fudan University, highlighted the growing interest in East Asian integration after the 1997 financial crisis. Growing intra-regional trade, increasing recognition of the need to tackle regional problems as a group, and the example set by Western Europe and North America have prodded Asian nations toward greater cooperation. It won't be easy. Deteriorating relations between China and Japan, the region's two largest powers, are a formidable obstacle to regional integration. The U.S. position in regard to East Asian integration is

equally important. If the U.S. fears that integration might undermine its influence and interests in the region, it might work to undermine the process.

Ralph Cossa of the Pacific Forum CSIS provided a U.S. perspective on this process. He noted that the Bush administration, despite its reputation, has been more supportive of East Asian multilateralism than many of its predecessors. Washington is not yet worried about the East Asian Summit (scheduled to be held in December), mostly because it is unclear what the East Asian Summit is or its purpose. More time has been spent debating who will attend the meeting than what it will do. Given the tensions in Northeast Asia, and the deteriorating relations between Japan and its neighbors, it's difficult to get too worked up about its prospects. Cossa did note, however, that while the U.S. remained in a wait-and-see mode, it would be closely watching Beijing's behavior. Will China attempt to integrate Taiwan into the new regional order? Will China attempt to exclude the U.S. from this regional order?

It is clear that there are far more questions that answers about the process of East Asian integration. All agree that it is a good idea, but much depends on how it's put into practice. How will various Asian and Asia-Pacific institutions, such as the ASEAN Regional Forum (ARF), ASEAN Plus Three, the ASEAN Post-Ministerial Conference, the Asia Pacific Economic Cooperation Forum (APEC),and the East Asia Summit interact? What will be the division of labor among them? How will Asia and the broader Asia-Pacific region relate to each other? The answers to these questions may well determine the success of efforts to more deeply integrate the region. Unfortunately, those answers are anything but clear.

It is curious that the region appears to be embarking on another attempt at integration when efforts to date have been so frustrating. There appears to be declining interest in APEC as regional governments pursue free trade agreements. Attempts to promote a more active security agenda at the ARF have been stymied. One U.S. participant cautioned against taking an overly pessimistic view of regional efforts thus far. He argued that while grand visions have been flagging, a great deal of work has been done "down in the weeds," where capacity building has been enhanced and discreet efforts are creating a slowly thickening web of regional standards.

Several questions dominated our discussions. The first was the resulting U.S. role as Asia integrated. How would the evolving Asian institutional architecture deal with the bilateral U.S. security alliances? Would the alliances become irrelevant as Asia coalesced into a larger political entity? How – and where – will security matters be discussed? Again, Chinese assured Americans that regional integration did not seek to exclude the United States from the region. Several called on the U.S. to take a more positive approach to the East Asian Summit. One Chinese noted that the U.S. killed the East Asian Economic Caucus and the Asian Monetary Fund. It should be more open-minded toward East Asian attempts to integrate. A U.S. participant noted that the development of the Chinese market and the creation of substantial domestic demand in China would shift global economic patterns and diminish U.S. influence in the region.

This portends a more fundamental shift in U.S. fortunes, but U.S. policymakers don't seem to be preparing for it.

Here, the Taiwan issue surfaced again. Americans worry that the process of integration will further marginalize Taipei. The Chinese counter that Taiwan is already being integrated into China and therefore would be part of any East Asian community. An institutionalized relationship, however, will be difficult without the three links. The fault for that, argued a Chinese participant, lies in Taipei.

Building a stable future

The positive assessment of U.S.-China relations creates a burden on policy-makers: they should act now to exploit opportunities and build a stronger, more stable relationship for the future. Existing cooperation on counterterrorism, North Korea, and Taiwan provides a foundation upon which the two countries can build. Bonnie Glaser, of the Pacific Forum CSIS, outlined the key challenges the two countries face. Topping her list is the need to ease persisting strategic mistrust, a point that is obvious to anyone reading this report or who attended the conference. She added that transparency is good, but warned that hedging will continue. The two countries must work harder to manage China's rise. Although both have a role to play, Beijing's burden is heavier. Glaser called on Chinese leaders to better understand other countries' concerns and to do more to ease them. They cannot merely dismiss talk of a China threat without responding to the fears that motivate such talk.

She also suggested the two countries make energy a cooperative issue in their relationship, rather than a source of competition. The two countries can work together on renewable energies, conservation, energy efficiency, clean energy technologies, experimental energy resources, and coordination among the world's leading energy consumers. They should expand military exchanges and dialogues. And the two governments must continue to manage their differences over Taiwan. A multiplicity of mechanisms exist to deal with these questions. The challenge for both governments is using them effectively. This process will help build confidence between the two countries, diminish mistrust, and provide a foundation for ongoing efforts on these and other issue areas.

Sun Zhe, also of the Center for American Studies at Fudan University, agreed that strategic suspicion overshadows the relationship. Both countries see the other as a rival and possible military opponent. Nevertheless, both governments recognize that they have far more to gain from cooperation than from competing and they have worked to maximize gains from the bilateral relationship. This is part of China's increasingly cooperative attitude toward the world more generally; Beijing strives to become a more normal member of the international community and seeks acceptance of that role by its diplomatic partners.

Sun believes that China will continue on its current course, focusing on economic development and trying to create the political conditions for continuing growth. China needs more economic reform to eliminate growing disparities within the country, to take care of its rapidly aging population, and to overcome shortages of energy and other vital natural resources that threaten its future. The process of political reform will be difficult as political leaders strive to balance calls for change with their own political imperatives. All the while, China's growing power will – as it already has –unnerve other nations. Beijing must do more to assuage those concerns. Sun recommended greater people to people contacts as one possible aid in this effort.

Our discussion underscored the need to develop a new vision for the U.S.-China relationship. The description of the relationship as "candid, constructive, cooperative – and complicated" is no longer sufficient. Chinese participants suggested the two countries start using the word "partnership." It is important to take steps toward the institutionalized management of bilateral relations, which would help insulate the relationship from attempts by interest groups to hijack the bilateral agenda. Yet as U.S. participants reiterated, this requires a better understanding of the goals the two countries wish to achieve, the burdens they share, and how responsibilities will be apportioned. This requires a far more direct and honest dialogue than has been the case thus far.

The summit meeting between President Hu Jintao and President Bush in Washington in early September was one opportunity to move this process forward. While it has been postponed, the eventual meeting – now scheduled to take place later in September – will still facilitate communication and push relations to another level. When asked what to expect from the meeting, Chinese participants suggested that President Hu will look for President Bush to repeat that he does not support Taiwan independence, that the U.S. opposes unilateral changes to the status quo, and that he will encourage cross-Strait interaction. The Chinese will seek pledges that the U.S. will not take unilateral action against China on economic issues, and Hu would like more military-to-military initiatives. He is likely to also express his concern about the strengthening of the U.S.-Japan alliance and press for greater cooperation to keep the Six-Party Talks on track. Hu is also likely to look for assurances that the relationship between the two countries is indeed strategic, whether it is a partnership or not.

Americans will look for President Hu to explain how China will use its power as it rises. The U.S. will look for assurances that Chinese rhetoric is more than just words. Americans will demand that the relationship be more than process and produce substantive results. It will look for Beijing to provide positive contributions to issues of mutual concern, consistent with international norms.

China and the United States are struggling to define their relationship as China undergoes an unprecedented transition. The U.S. is prepared to accept China's rise – it has no choice – but it seeks to ensure that the China that emerges will be a good global citizen, will not challenge the existing order, and will work with the U.S. to ensure that both nations' interests – and those of the entire world – are protected and advanced. In

sum, both nations are uncertain about how they will relate to each other as their relationship intensifies and becomes more complex.

As usual, our meeting provided more questions than answers. No one argued that the relationship was in serious trouble. But, as Pacific Forum President Ralph Cossa concluded, if Sino-U.S. relations were a "7" last year, most seemed to see them as a "6.5" or worse today: still better than average but with a slightly downward curve, leaving lots of room for improvement. The opportunities for cooperation are many, but so too is the potential for greater disagreement or confrontation, not just over the "standard" issues – Taiwan, the Korean Peninsula, human rights/democracy, economic/trade issues – but in a growing number of international areas where Chinese and U.S. political and diplomatic interests and objectives could just as easily coincide, coexist, or conflict, depending on how much each side recognized and accommodated the other's interests and concerns; a "complex" relationship, indeed.

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The Year in Review
By Ni Shixiong

Regionally and globally, the past year saw a chain of overlapping, significant yet complicated events: the tsunami catastrophe, the terrorist bombings in London and Egypt, the "color revolutions" and their impact, the new round of Six-Party Talks on the Korean nuclear crisis, the 60th anniversary of the anti-fascist war, difficult UN reform, worsening Sino-Japanese relations, new challenges to the Shanghai Cooperation Organization, the aftermath of the Iraqi war, the Iran nuclear issue, the Sino-U.S. summit after the 2004 APEC meeting, the new U.S. report on the Chinese military, Sino-U.S. trade and financial friction, the passing of the China Anti-Secession Law, visits of the three Taiwan opposition party heads to mainland China, China's peaceful rise and its influence…All these events boil down to one word: complexity. Complexity characterizes the current international situation and regional security.

It's important to make a basic evaluation of current Sino-U.S. relations in terms of the complexity of the international situation. Developments and difficulties, progress and problems co-exist. Despite differences and friction, Sino-U.S. relations have been moving forward. Cooperation remains the main trend.

The past year found Sino-U.S. relations in one of the best periods since the establishment of formal diplomatic relations between the two countries in 1979. The important yet complicated bilateral relationship has on the whole entered a new phase of relatively stable development.

Credit three "maintenances":

1. The maintenance of frequent high-level contacts between China and the U.S hotline talks, summit meetings and planned state visits by Presidents Hu and Bush. Rice's visits to China in May and July 2005; Tang's visit to the U.S. in August 2005.

2. The maintenance of strategic dialogue between the two sides. The August strategic dialogue (Dai Bingguo and Robert Zoellick) in Beijing highlighted this working system. It turned out to be "helpful and constructive," and assisted to broaden the consensus between the two countries and to coordinate positions on major international issues.

3. The maintenance of strong momentum for Sino-U.S. cooperation. The "3Cs" relationship continues, and mutual cooperation has expanded from economic areas to anti-terrorism, from judicial to energy areas, from military to cultural-educational areas… Seeking common interests through cooperation helps consolidate the foundation of Sino-U.S. relations.

Sino-U.S. relations, at the same time, face obstacles and big challenges:

1. **Human rights**. Differences on human rights are deep-rooted and hard to overcome. The human rights dialogue has been suspended since last year. Is it likely to be resumed this year?

2. **Trade and economic issues.** The frictions cover many issues: the U.S. trade deficit, RMB revaluation, IPR protection, textile tariffs, China's market economy status, and particular issues (CNOOC vs. Unocal). Through mutual efforts, these issues are under negotiation and the frictions eased.

3. **Korean nuclear crisis.** The situation is very challenging: The fourth round of the Six-Party Talks did not achieve its anticipated results. How can we persuade North Korea to give up all its nuclear programs? How to solve this nuclear issue by peaceful means rather than sanctions or regime-change? The ways to the final solution of the Korean nuclear crisis have a great bearing on Sino-U.S. relations.

4. **Taiwan issue.** The Taiwan issue poses another challenge to Sino-U.S. relations. The key is to oppose and check Taiwan independence. The U.S. is expected to stop sending wrong messages on Taiwan independence via arms sales, upgrading U.S.-Taiwan relations, and supporting Taiwan's return to IOs.

The core issue in Sino-U.S. relations in recent years is how to view China's peaceful rise and its implications for the U.S. The U.S. must face not just a China issue in its normal sense, but the issue of China's rise. The nitty-gritty of China's rise is: China's rise is inevitable; China's inevitable rise is peaceful. China will rise in peace, by peace, and for peace. Will China's rise be a threat or an opportunity to the U.S.? The perception of China's rise determines what policy the U.S. will pursue to deal with a rising China: defensive or offensive military strategy, unilateral or multilateral diplomacy, containment plus engagement or constrainment plus integration policy?

It is hoped that the U.S. will take China's rise as an opportunity not a threat. Sino-U.S. relations have differences and commonalities, difficulties and hopes, obstacles and opportunities. We believe there are more commonalities than differences, greater hopes than difficulties, and bigger opportunities than obstacles. China and the U.S., two great countries across the Pacific, have every reason to further cooperate to make the world safer and more stable.

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The Security Relationship: From Official Governmental Sources

By Michael McDevitt

The *PRC's December 2004 Defense White Paper*, the fourth such document the PRC has produced since 1998, and the *U.S. Defense Department's 2005 Report on the People's Liberation Army* (the fifth such report submitted to Congress since 2000), provide a useful lens with which to examine the security relationship between China and the United States and the central role of Taiwan in the relationship.

Background

In view of the visit of PRC President Hu Jintao to Washington on Sept. 6, it is appropriate to remember that Taiwan makes the Sino-U.S. relationship so unique and distinguishes it from any other bilateral relationship that Washington maintains. On many different levels – political, economic, trade, academic, and personnel relationships – the Sino-U.S. relationship is normal. It is sometimes difficult, sometimes cordial, but overall, it's mutually productive and central to the peaceful development of Asia and the economic health of the world. At the same time the black cloud of war, because of Taiwan, is so real that the respective militaries of both countries are actively planning, exercising, and war gaming with the goal of defeating the other.

The prospect of war over Taiwan seems low because Beijing has apparently adopted a more patient approach to this thorny issue. It has shifted focus to halting moves toward independence by the government in Taipei. And because, for the moment, Taiwan's President Chen Shui-bian has become more restrained in his ambitions to redefine Taiwan's constitutional structure in a way that presages *de jure* independence for Taiwan. Beijing has embraced President Bush's policy of no unilateral changes to the status quo, while Taipei, less enthusiastically, has also agreed. So long as this uneasy equilibrium persists, conflict does not seem imminent.

But, as long as Beijing insists on keeping the use of force against Taiwan as one of the central tenants of its declaratory policy toward Taiwan – keeping its finger on the trigger, so to speak – the possibility of conflict cannot be ruled out. As a result, another military dynamic comes into play – long-range planning that informs military modernization and future concept development in both Beijing and Washington.

Because of Beijing's declaratory policy regarding the use of force and (more recently) its national legislation, the military problem of Taiwan has been at the center of PLA thinking for some time and has become the focal point for PLA modernization. Deterring Taiwan and, if necessary, successfully coercing or capturing Taiwan, is the priority military task of the PLA. For decades, the PLA was a paper tiger: it could not credibly coerce or capture Taiwan with conventional military forces. This was the case

in the early decades of the Cold War because the ROC-U.S. military alliance directly involved the U.S. in the defense of Taiwan, and in the 1980s because Beijing was focused on a Soviet threat, and Taiwan's priority as a military problem diminished.

The Soviet Union ended in the early 1990s just at the time that democracy took root on Taiwan. The diminution of the Soviet threat to China permitted the PLA to change focus from the Soviets just as trends in Taiwan began to suggest to PRC leaders that eventual reunification of Taiwan and China might not be a shared objective of Taipei and Beijing.

As a result, for the past decade or so the PLA has focused on making the threat of force more credible. That also meant that despite U.S. attempts to remain strategically ambiguous regarding its military intervention, the PLA had to plan on a "worst case" scenario – they had to assume they would have to deal with U.S. intervention if Beijing elected to use force.

But a force structure that could capture Taiwan while keeping the U.S. at bay is also a force that that can satisfy the most pressing of Beijing's other unresolved strategic issues besides Taiwan – the South China Sea, sea lanes of communication to the Middle East, the vulnerability of China's eastern seaboard (its economic "gold coast"), and territorial disputes with Japan. Like Taiwan and the problem of U.S. intervention, all these issues are maritime in nature.

The maritime nature of Beijing's outstanding strategic issues and its need to deal with U.S. intervention in favor of Taiwan should force be used has not been lost on U.S. military planners. The 2000 Quadrennial Defense Review (QDR), while not identifying China by name, made it clear that China was a central concern. Phrases like "Maintaining a stable balance in Asia will be both a critical and a *formidable* task. The possibility exists that a *military competitor* with a *substantial resource base* will emerge in the region" made it clear that China is a long-term strategic concern.

The next QDR is still being developed, but it seems likely that China will remains a strategic concern of the U.S. This was clear in the *2005 DOD Report on the PLA* that speaks to PLA's "ambitious" modernization as putting "regional military balances at risk." This document was vetted beyond DOD in Washington and therefore reflects the views of the government, not simply the Defense Department. Therefore, it is not likely that when the QDR emerges it will contradict the DOD report. It will probably indicate what the U.S. will do in reaction to PLA modernization.

Thus the possibility of war over Taiwan creates two related and unwelcome aspects to the security relationship. First, the near-term crisis response requirement of both militaries creates a near-term planning and exercise dynamic where China is the "red force" and the U.S. is the "blue force" and both practice trying to defeat the other.

Second, over the long term the modernization focus of the PLA will produce a military that is dominant in East Asia (certainly on the continent), and unless the U.S. maintains its current advantage and "rises on the same tide" as the PLA, the PLA could dominate the littoral region of Asia with a regional projection capability. This has already set in motion a long-term "capability competition" between an improving PLA and a U.S. military dedicated to being able to sustain regional stability by maintaining a force capable of frustrating PLA projection goals.

One obvious way to mitigate this dynamic would be to remove the prospect of war over Taiwan. That is Beijing's choice alone. The simplest way to accomplish this would be for Beijing to renounce the use of force, and rely on its growing economic and diplomatic clout to deter Taiwanese independence. If Taiwan declared independence, no nation would recognize that independence, and the little diplomatic space that Taipei currently enjoys would shrink even more. Thus, it is difficult to see how Taipei could sustain independence if Beijing does not agree. After all, Taiwan is always going to be only 100 miles off the coast of China.

Trying to remove the threat of war over Taiwan is a topic worthy of serious discussion by Presidents Bush and Hu.

Because determining the future political status of Taiwan could cause a war between China and the U.S., it is useful to review what both these official statements have to say about Taiwan and the security issues that flow from the Taiwan situation.

The PLA December 2004 White Paper

The discussion that follows is based on the report of a CNA workshop of China experts to assess the document (we have done the same for previous white papers). The first point to be made seems obvious, but it is important to remember that the White Paper is fully vetted and coordinated by the central organs of the party-state, and should be taken to represent the official views of the party-state. This is especially true regarding political content, issues of international affairs, and especially the Taiwan issue.

Compared to past reports, the 2004 White Paper provided a larger context for military reform and modernization efforts as well as a relatively broad overview of the various programs underway. The forthright tone of the paper is significant. It indicates increasing confidence on the part of Beijing in attempting to shape its security environment, not just reacting to it.

The paper also reflects a China that is increasingly concerned about challenges to international peace, the prospects for regional security and stability, and specific threats to PRC security interests. It places increasing emphasis on nontraditional security issues that are seen as posing a "growing threat." Interestingly the paper suggest that Beijing has bought into the notion that addressing terrorism requires addressing root causes, acknowledging that it will be difficult to eliminate "root causes of terrorism." Beijing

shares Washington's view that the fight against terrorism will be both long and demanding.

Not surprisingly, on the issue of Taiwan the White Paper was stern, assessing that "The situation in the relations between the two sides of the Taiwan Straits is grim." The *ad hominem* attacks on Taiwan President Chen Shui-bian and his policies are the shrillest portions of the paper. It states, as usual, that Beijing prefers a peaceful reunification, but is quick to issue a very strong warning that was tied directly to Chen's desire to hold a referendum on constitutional reform in the next 48 months. Specifically:

Should the Taiwan authorities go so far as to make a reckless attempt that constitutes a major incident of "Taiwan independence," the Chinese people and armed forces will resolutely and thoroughly crush it at any cost.

Moreover, the paper's assertion that "the separatist activities of the 'Taiwan independence' forces have increasingly become the biggest immediate threat to China's sovereignty and territorial integrity as well as peace and stability on both sides of the Taiwan Straits and the Asia-Pacific region as a whole" is significant on two counts.

First, it made clear that Taiwan independence is "security threat No. 1" for Beijing.

Second, Beijing made it clear that the results of a Taiwan attempt for independence, i.e., China's response, will directly affect the stability of the entire region. So while on one hand, Beijing continues to argue that the Taiwan issue is "an internal affair"; it is also saying that the rest of the region will have to face the prospect of a wider conflict if Taiwan crosses a red line.

A couple of concluding observations about the 2004 White Paper:

- Those who follow PLA issues generally agreed that when read together the 1998, 2000, 2002, and 2004 versions of the defense white papers do provide a good deal of information on Chinese defense policies, PLA organizational issues, and Chinese military activities in the international arena.
- The warnings in this white paper over a Taiwan constitutional referendum issue are open-ended enough to allow Beijing a good deal of wiggle room in how it chooses to define "a major Taiwan independence incident." At the same time, the warning has been placed on the table.
- Finally, the clearly announced goal of achieving command of the sea and command of the air explicitly suggests an incipient competition over the international commons of the East Asian littoral with the United States in the areas in which the U.S. has long held superiority.

The 2005 DOD Report on the PLA

Unlike the PLA White Paper, which received no official comment from Washington when it was issued on Dec. 27, 2004 the same is not true regarding the July 2005 DOD Report to Congress on the PLA. Official PRC reaction was highly critical. Vice Foreign Minister Yang Jiechi (former PRC ambassador to the U.S.) summoned the U.S. charge' to the Foreign Ministry and among other things is reported by *Xinhua* to have said:

- "… the report "groundlessly criticizes" China's defense modernization drive, and "makes unwarranted charges" on China's normal defense construction and military deployment. In an attempt to give an excuse for U.S. to sell advanced weaponry to Taiwan, the report trumpeted that China's military modernization makes the necessity for Taiwan to develop counter-measures, said the vice foreign minister. Regardless of facts, he said, the report make every effort to spread the rhetoric of "China threat," which is a move to grossly interfere in China's internal affairs and foment dissension between China and its neighboring countries.

- It is necessary for the Chinese armed forces to upgrade weaponry to cope with the complicated international situation, safeguard state sovereignty, security and territorial integrity, Yang said. "This is the due rights for China as a sovereign state and no other country has the right to intervene," he stressed. "Why should the U.S. carp and cavil on China's defensive defense policy and measures and make random comments?"

- He said the Chinese government adheres to basic principles of "peaceful reunification, and one country, two systems," and will make utmost efforts to strive for peaceful reunification across the Taiwan Strait with utmost sincerity. China, however, will never tolerate "Taiwan Independence," or any move to separate Taiwan from China by anyone in any way, Yang stressed.

- The U.S. should honor its own commitment with concrete actions, adhere to one-China policy, observe the three Sino-U.S. joint communiqués, oppose "Taiwan Independence," stop arms sales and military links with Taiwan in an effort to maintain peace and stability across the Taiwan Strait as well as the common interests of China and the U.S., Yang said.

- The U.S. should not confound right and wrong, create excuse for continuing its arms sales to Taiwan, and send wrong signals the separatist forces seeking "Taiwan Independence," he warned. "Efforts made by the U.S. defense department to… spread so-called 'China threat' will be totally in vain," he said.

While Beijing was unhappy, conservative U.S. think thanks were also unhappy. The American Enterprise Institute posted an article on their website on Aug. 1 with the evocative title *"Wishful Thinking in Our Time: The Pentagon Looks at China and*

Blinks." The piece characterizes the DOD report as a "mix of happy talk, flabby strategic musings, and sobering facts," asserting that the report was analytically confused. This author found the report relatively even-handed.

The DOD report: major issues raised

The main points are that PLA modernization is proceeding without pause, that it is systematic and apparently well thought-out, and that while focused on Taiwan and possible U.S. intervention it is developing military capability that if left unbalanced could threaten the region. Through the use of illustrations the report makes the point that much of Asia can be threatened by PRC ballistic missiles. The ability of PLA ballistic to reach out and touch countries all around China's periphery makes clear that missiles are not simply an issue for Taiwan or Japan.

It bemoans the lack of "transparency" regarding PRC strategic intentions, and the PRC defense budget, and, repeating a Bush administration refrain, asserts the PRC is at a "strategic crossroads" on how its growing power and influence will be used – implying that until the road China elects to take is made clear it is important that the U.S. hedge against a confrontational path.

One particularly important assessment was the discussion of resources available for PLA modernization. In that assessment a forecast of respective national GDPs in the year 2025 is included. According to the DOD report, China's GDP forecast is $6.4 trillion, Japan's $6.3 trillion (slips to third place) and the United States' is $22.3 trillion. So while the PRC will have the second largest economy in the world in 2025, the U.S. economy will still be almost four times as large. What that suggests to this author is that the U.S. will be easily able to stay militarily ahead of the PRC should it elect to do so, or be required to do so. Economically, there is no reason why the United States should not be able to continue to play its stabilizing role in East Asia for the foreseeable future.

One of the more important points the report made was that as PLA capabilities have improved, so to has the expressed rationale for the use of force against Taiwan. As the report put it the use of force rationale has also evolved and broadened. This seems to be an excellent case of the classic strategic planning dilemma – does one focus on the capabilities or intentions of potential competitors? The traditional military view is to focus on capabilities, because intentions can change or evolve over night.

In this regard the report does a good job of highlighting recent improvements in PLA capabilities while reaching the judgment that the PRC does not yet have the capability to conduct a full-scale invasion of Taiwan, and that its "ability to project conventional power beyond its periphery is limited." But, the balance of cross-Strait power is steadily shifting toward Beijing.

The report also does a good job of highlighting Beijing's measured but steady improvement of its intercontinental ballistic missile force. The transition to the road-

mobile solid-fuel *DF-31* series ICBMs will provide an important addition to the PRC's nuclear retaliatory capability. This process is not a surprise to U.S. observers and has been anticipated for a number of years. What is a surprise, at least to this author, is the judgment in the report that the *DF-31*'s will "supplement" and not replace the PRC's 20 odd older silo-based liquid-fueled *CSS-4* series missiles. This has been a matter of discussion among U.S. analysts. The net effect, therefore, will be an overall increase in the number of ICBMs that can be targeted against U.S. cities.

Concluding thoughts

While the two reports under discussion provide a reasonable look into the security aspects of the Sino-U.S. relationship, this is admittedly a one-dimensional perspective. A more balanced and nuanced perspective took place during the Sino-U.S. "Senior Dialogue" that occurred in Beijing Aug. 2-3, 2005. Reportedly, the U.S. side led by Deputy Secretary of State Robert Zellick was able to explain that the 30-year policy focus of the U.S. to integrate China into international political, security, and economic institutions had been accomplished. China is indeed integrated into these international institutions, and the U.S. was pleased that this has been accomplished. As a result, in the future the issue would revolve around how Washington and Beijing worked together as common stakeholders in those institutions and systems.

The U.S. also acknowledged that China's rise had led to uncertainty in Washington, as in the DOD report, about China would use its power and influence. This highlighted once again to the Chinese the importance the rest of the world placed on understanding China's intentions, i.e., transparency. As a result, until those intentions became clear Beijing should not be surprised that the U.S. and other would hedge their ties with China.

Apparently, the U.S. team made the point that it was not the policy of the U.S. government to try and contain China. Not only that be at cross-purposes with the overall objective of integrating China into global institutions and networks, it would also not work because the rest of Asia, and Europe for that matter, is not interested in containing China.

Seemingly, these talks were a success. Not only were there no negative press reports, but the two sides agreed to meet again in about six months, this time in Washington, to continue the dialogue. The Chinese were able to hear from a highly placed member of the administration a discussion of U.S. concerns and intentions regarding China. Were it not for the specter of Taiwan looming over the relationship, one could rationally conclude that China and the U.S. were embarked on a path of mutual understanding that would ensure continued stability in East Asia.

The Korean Peninsula
By Scott Snyder

How do the two sides view developments on the Korean Peninsula? How are relations between Seoul and Washington and Beijing? What are our views of, and desired outcomes for, the Six-Party Talks? How can the deadlock be broken? What is China's role in these talks? What does Washington expect from Beijing? What does Beijing expect from Washington? Are these expectations realistic? How do the two governments view the regime in Pyongyang? Topics could include U.S. force realignments, the prospects of North Korean brinksmanship, and the impact of Korean developments on the U.S.-China relationship.

I. The U.S. – end has not changed, but the means have changed:

Six-Party Talks show a number of changes in the dynamic of interaction.

1) U.S. now willing to negotiate bilaterally w/ North Korea under six-party umbrella. Change constitutes a recognition that previous approach was not working: unlikely that unilateral coercive measures would be successful as leading element of policy.

Personnel changes (Rice at State/Hill EAP/Bolton out of harm's way) have led to a more unified approach on the North Korea issue focused on negotiations as the only option for the U.S. and North Korea.

2) The Feb. 10 statement underscored urgency of problem, despite administration's cool and calm reaction – reinforced that negotiation was necessary and redoubled efforts by all parties to bring North Korea to negotiating table.

The March 31 statement likewise showed importance of negotiation, but North Korea's new agenda of mutual disarmament is a non-starter for all parties.

3) China and South Korea played supporting roles to get U.S. and North Korea into direct contact and back to the negotiating table: China via messages from talks with North Korea in April and ROK through vice ministerial talks in May and Chung Dong-young visit to DPRK in mid-June.

4) Rice's "sovereign state" comment and U.S.-DPRK bilaterals lead to North Korea's willingness to come back to negotiating table. Interesting that announcement came at a U.S.-DPRK bilateral meeting on the eve of Rice's July visit to Beijing. DPRK preempts China/ROK.

5) U.S. has shown flexibility to listen to North Korea position and incorporate key issues such as a path toward diplomatic normalization, discussions on how to replace

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armistice with peace treaty, into the mix. The U.S. acceptance of ROK energy proposal is an important sign of flexibility that also gives North Korea specificity regarding tangible benefits of agreement. The U.S. is flexible on implementation but remains fixed on achieving core objectives: uranium issue seems manageable, peaceful use as major outstanding issue – primarily because there are disagreements among the other negotiating parties on this question (the single area where North Korea was most likely to have a chance to "isolate" the U.S.

(Even on peaceful use, the U.S. has shown a strikingly flexible stance – affirming North Korea's NPT rights to peaceful use, while seeking ways to persuade North Korea not to exercise that right.)

6) Ultimately, the Bush administration will need to achieve something better than the Agreed Framework (AF Plus, not AF II) for agreement to be politically accepted in Washington.

II. China – active host, messenger, facilitator, but ultimately not a broker or mediator

China's toolbox:

1) Strengthened bilateral diplomacy with DPRK – including regular meetings with Chairman Kim (a prerequisite for progress in six-party process).

2) Provision of material benefits through enhanced assistance to DPRK (rewards).

3) Rejection of American suggestion of sanctions (no oil/food cutoffs).

4) Withholding of benefits/promise of added benefits pending resolution of nuclear issue.

Hu Jintao visit only possible in context of smooth progress in Six-Party Talks. It is an opportunity for Hu to play important intermediary role w/ Bush and Kim Jong-il at a critical time in coming months.

Bush administration frustration with – but also finally recognition of – the limits of PRC willingness to put pressure on DPRK. Bush expectations for PRC to play responsible role on nonproliferation as test for PRC's regional/global responsibility. Top-level coordination U.S.-PRC positive and consistent, but in light of many other challenges and priorities in U.S.-PRC relations, can coordination on North Korea nuclear issue be effectively sustained?

Despite some frustrations on U.S. side, PRC cooperation has steadily increased over time. Private PRC frustrations with North Korea mounting in Beijing. The policy community in Beijing is increasingly divided over how to effectively deal with North

Korea; PRC government has attempted to remain even-handed. Publicly, Hill has credited Beijing's efforts and PRC ultimately recognizes that it has to side with U.S., but prefers ROK to be the lowest common denominator and ultimate driver of the terms of a resolution with North Korea. Beijing's policy appears to be ultimately support whatever outcome South Korea thinks is best, while continuing its critical diplomacy with North Korea.

Policy reveals limits of Beijing's willingness to use coercion to influence North Korea, but is also consistent with the idea that Beijing has a Korean Peninsula policy that recognizes Seoul's decisive role in the future of the peninsula vs. a policy toward North Korea and a policy toward South Korea.

Does PRC see a nuclear DPRK as inherently destabilizing? Is there a safe choice for Beijing between a destabilized North Korea and a nuclear North Korea? Nuclear test rumors in May did have the important effect of dramatizing to all parties that there was no light at the end of the tunnel.

Fourth round: Chinese gracious hosts – even for two weeks w/ no early check out times imposed! But scrupulously neutral in its new task of drafting joint statements and splitting the differences among the parties. This neutrality itself became an obstacle in the view of some American negotiators to the resolution of agreement. Brokering role for now apparently ceded to ROK.

III. ROK – the lowest common denominator, and newly emerging broker/mediator

1) ROK/Chung Dong-young owes his mediating role to Kim Jong-il. Interesting that Kim empowered ROK by using Chung visit to announce intent to come back to talks by end of July, and that Kim finally ceded an ROK role and interest in the North Korea nuclear issue. Why did Kim do it this way? – Reinforce Korean autonomous response/strategy to maximize benefits w/in constraints of six-party process?

2) ROK's mediation/brokering efforts are positive to the extent that it gives ROK a share of responsibility for ultimate outcome and satisfies administration need to show to the public that it has been active in crafting a diplomatic outcome consistent with ROK national interests.

3) Reemergence of 1992 Joint Denuclearization agreement also reinforces an important ROK role and is a nice way to get at uranium enrichment program.

4) ROK's bifurcated North Korea policy: cooperate with U.S. on Six-Party Talks via Foreign Ministry while pursuing breakneck inter-Korean engagement via Unification Ministry. Positive resolution with North Korea will require ROK-U.S. coordination, and should also include Japan. (Recent Japan-ROK tensions have

constrained more effective coordination in recent round of Six-Party Talks and require attention on their own merits.)

5) In Beijing, ROK impulse on peaceful use is to fudge it vs. U.S. need for front-end clarity on that principle emerges as the major division among other parties that DPRK attempts to exploit.

6) Will the other parties unify their positions and force North Korea to accept limitations on exercise of peaceful use, or will North Korea be able to continue to exploit those divisions? Depends on effectiveness of U.S. diplomatic effort in interim period.

IV. Prospects for Future

1) End of August hopefully will yield an agreement in principle on major issues, designed to signal the parameters for negotiating a specific agreement.

2) Failure would lead to Plan B, and Plan B would require full support from other parties in the region. In absence of such support there is no palatable alternative to negotiation for either the DPRK or the U.S., and no effective Plan B likely to have immediate positive results.

3) Six parties will return to Beijing to negotiate specifics of an agreement (hopefully at working levels with ad hoc groups to deal with specific issues.) It could take several weeks, plus additional recesses and supporting diplomacy during the breaks, to achieve a final agreement.

4) A final agreement is likely to require accompanying bilateral diplomacy and negotiation, including outside top-level diplomatic contacts with Kim Jong-il. At some point, it may require direct U.S. interaction (senior official or presidential envoy) to meet with Kim.

5) Agreement marks the beginning of implementation, but will continue to require high-level attention and supervision if it is to succeed. North Korea will take advantage of any laxity or distraction to press to tilt implementation to its advantage or to avoid strict adherence to agreement.

6) Bush administration will have to do a better job of selling agreement than Clinton administration. Past Bush rhetoric an obstacle, but Bush's conservative credentials are a big opportunity to seal a deal.

7) One possibility might be that administration or Congress could turn up the volume on human rights, while quietly focusing on practical implementation of an agreement with North Korea.

8) Successful management of the North Korean problem will expand space for cooperation between the U.S. and China on other issues and lead to multilateral security dialogue mechanism on implementation of North Korea-related matters as well as be a forum for dealing with other regional/global/strategic issues. Failure will inhibit such cooperation.

Six-Party Talks on the Korean Nuclear Issue After the First Stage of the Fourth Round

by Tao Wenzhao

After a 13-month break, the first stage of the fourth round of the Six-Party Talks, which lasted for 13 days, failed to reach a joint statement, to our disappointment. The talks, however, were different from the previous three rounds in many aspects, and some consensus has been achieved among the six parties, providing some hope for solving the issue.

Some features of the fourth round of Six-Party Talks

The atmosphere was better than previous ones. Before the talks, both the U.S. and the DPRK made gestures to create a favorable atmosphere. President Bush called DPRK leader "Mr. Kim," Secretary of State Condoleezza Rice several times, including on July 11 before her visit to Asia, said that the DPRK is a sovereign country and the U.S. has no intention of invading the DPRK. Assistant Secretary of State for East Asia and the Pacific Christopher Hill at the opening meeting on July 26 confirmed again that the U.S. had no intention to attack the DPRK.

From the DPRK side, Kim Jong-il said to the ROK Minister of Unification June 17 that non-nuclearization was the unfulfilled wish of his father, that his declaration of non-nuclearization was still valid, the DPRK has no reason to possess nuclear weapons once the U.S. threat was removed, and the DPRK would like to rejoin the NPT.

Every year DPRK had some anti-American activities to mark the anniversary of the outbreak of the Korean War. But it was not the case this year. U.S. agreed to provide 500,000 tons of food assistance to the DPRK. The ROK made a concrete suggestion to provide energy assistance to the DPRK if the DPRK dismantles its nuclear programs.

Just before the talks, officials from the U.S. and the DPRK met in New York and in Beijing. The DPRK said that they were ready to dismantle their nuclear weapons, while the U.S. expressed that it was ready to provide energy assistance. Hill used the word "bilateral" discussion, which President Bush used to prohibit. James Kelly only used "face-to-face."

During the talks, both the U.S. and the DPRK were restrained from saying anything provocative. The DPRK was low profile in general. During the second round of talks, the DPRK suddenly held a press conference on the second day and asserted that there would be no breakthrough. During the fourth round of talks, the DPRK's chief negotiator seldom met with the press and said that although differences existed, the DPRK delegation was making sincere efforts to narrow the differences and achieve

concrete results. Hill briefed reporters every day when he came back to the hotel, showing his confidence in the progress with a smile.

All sides expressed more patience than before. They conducted the talks with mutual respect, in a peaceful, candid, and constructive way. The six sides did not set a time limit, while the previous talks just lasted three days or a little more. The delegates as well as the general public tended to believe that if a consensus could not be reached within three days, then longer talks would be futile. This time each side showed great patience: Hill said that "we would stay in Beijing as long as practical progress was being achieved." The Chinese host provided four drafts, trying hard to put every bit of small progress into written form and paying utmost attention to the nuance of the wording, and all the delegates seriously discussed the four drafts. It seemed that each side was determined to accomplish something, as a Chinese saying goes, and would not give up until the goal was achieved. It also showed that each side was more sincere in seeking agreement.

Each side, especially the U.S. and the DPRK, was more pragmatic, and showed more flexibility than before.

There were very intensive bilateral discussions between the U.S. and the DPRK. In previous talks there were some bilateral meetings between them. But they were fewer, and were deliberately arranged by the Chinese host, such as putting them in one corner, or arranging their seats next to each other at the dinner table. This time the two sides were active in bilateral discussions and consultations. Altogether there were more than 70 bilateral meetings this time.

Deputies' meetings were also held. At this level more detailed questions could be discussed, and progress could be made step-by-step.

One of the major differences between the U.S. and the DPRK is whether there is a highly enriched uranium program in addition to the plutonium program. The U.S. says yes. The DPRK denies it. If the U.S. had stuck to this position, the talks might have broken down without reaching agreement and could not have lasted for so many days. Realizing this, the U.S. side did not insist and to the contrary, concentrated on general principles of denuclearization. While the DPRK before the talks announced that there should be talks on nuclear disarmament rather than just on the Korean nuclear issue, in the talks they did not say much about this. It showed that each side followed the principle of seeking commonalities and shelving differences for a while.

In the third round of talks, the U.S. advocated CVID and the way to realize it. This time the stated goal of the talks was intentionally a limited one: to agree on a set of broad principles that would serve as a guideposts, while leaving the nettlesome details of dismantling the DPRK's nuclear program for later.

When after 13 days the talks could not reach a joint statement the six parties agreed to recess for about two weeks and would resume in the week of Aug. 29. This gives time for delegations to report back to their governments and for the different parties to have further consultations.

New consensus was reached at the first stage of the fourth round. As the head of the Chinese delegation Wu Dawei said at the news briefing on Aug. 7, the six parties agreed that their common goal was to realize denuclearization of the Korean Peninsula by peaceful means, that the talks should set up the goal for the Six-Party Talks and a road map to realize it. The road map was not mentioned before.

Major differences

The goal. Both the U.S. and the DPRK agree the goal is the denuclearization of the Korean Peninsula. But the two parties remain far apart over their position on this issue.

For the U.S. the definition of denuclearization is clear and simple: the DPRK dismantles any nuclear programs, including peaceful nuclear activities, because peaceful programs can be easily turned into weapons programs, as the DPRK used to do. At the second round of talks Kelly said to the DPRK delegates that the DPRK would be allowed to use uranium only for agricultural and medical purposes.

For the DPRK, denuclearization of the Korean Peninsula means two things.

First, U.S. nuclear weapons in South Korea should be removed, and it should be prohibited to import nuclear weapons or nuclear materials to the peninsula from outside, and U.S. nuclear threat around the peninsula should be eliminated. The U.S. denies there are any nuclear weapons in the South. This was not the focus of the fourth round, but the question of "nuclear disarmament" still exists, and the DPRK may raise the question again.

The DPRK insists on the right to have peaceful nuclear activities. The DPRK head of delegation said during the talks that DPRK was not a defeated country, and every country had the right to peaceful nuclear activities, so why not the DPRK? It seems that this issue made the joint statement impossible at the first stage of the talks.

The means. The sequence of who goes first is still a problem. The U.S. has persistently demanded that the DPRK dump its weapon programs before it gets a security guarantee and economic aid and energy. The DPRK holds that its decision to dismantle its nuclear programs depends on whether the U.S. eliminates its nuclear threat to the DPRK, and whether mutual trust can be built. Pyongyang wants a security guarantee and aid before it will scrap its nuclear program. This remains a chicken and the egg debate.

The normalization problem. The DPRK delegation insisted that the framework should be that the DPRK will dismantle its nuclear weapons in return for a normalization of its

relationship with the U.S. and Japan. Hill once said that personally he is inclined to promote the normalization process. But the spokesman of the White House announced something like normalization was not on the U.S. agenda. So the U.S. side does not want to discuss the issue at the talks.

Look into the future

Stick to Six-Party Talks. As all sides said that they are committed to a peaceful means to solve the DPRK nuclear issue, the Six-Party Talks with China as a host are the best way to resolve the issue. And I do not think that threatening to take the issue to the UN would be a good choice, or would produce a desirable outcome.

Keep the spirit of mutual respect. Frankly speaking, during the 13-month break, the U.S. and DPRK did not show this spirit. The expressions from both sides from time to time were unfriendly, even hostile. As they entered a vicious circle of blaming each other, earlier progress is offset and new obstacles are created. Although the first stage of the fourth round did not produce a joint statement, the two sides should keep the spirit of mutual respect (i.e., avoid blaming the other side).

Keep patient. Given the character of the talks, and given the antagonistic relationship between the U.S. and the DPRK for more than a half century, the talks will be long and progress can be made only gradually. It will take time to build mutual trust. Any hope for a quick solution on such a complicated issue is unrealistic.

With regard to the issue of the definition of denuclearization, my personal opinion is that the DPRK should have a right to peaceful nuclear activities, but international verification must be comprehensive and effective so that peaceful activities would not be turned into a weapons program. It will be difficult, but the six parties and international society should have the capability to overcome these difficulties. It is not right to deprive the DPRK of the right to peaceful nuclear activities.

The normalization process should be launched and promoted as long as the DPRK commits to denuclearization and realizes that commitment. Although the U.S. has announced that it has absolutely no intention to attack or invade the DPRK, as long as the normalization process has not yet been launched, it would be hard to build mutual trust, and the relationship will be abnormal. The DPRK's request for normalization means it does not want further isolation, it wants to join the family of nations, and that it seems to me is something that should be welcome. Normalization can be some new attraction to the DPRK. There are other questions between the two countries besides the nuclear issue, and the U.S. has more concerns with regard to the DPRK. But these problems can be solved during the normalization process. I do not understand what damage can be done to U.S. interests by this. Of course, the process will also take years.

Managing East Asian Integration
by Ralph A. Cossa

Growing East Asian and broader Asia-Pacific regionalism provides an opportunity for either greater cooperation or increased concern regarding U.S.-China relations. While it is too soon to say for sure, it appears that there is more reason for concern than for optimism. China's use of regional organizations that exclude the U.S. is already coming under increased attention, given Beijing's attempts, through the Shanghai Cooperation Organization (which it helps lead, along with Russian and four Central Asian states), to reduce Washington's access to Central Asian bases deemed critical to the ongoing war on terrorism has caused concern in Washington about Beijing's long-term intentions. To the degree that China attempts to also use East Asian regionalism and the building of an East Asia community to isolate or marginalize the U.S., it can become a new source of tension between Washington and Beijing.

Washington has taken a generally supportive, "wait-and-see" attitude toward East Asian regionalism. In the post-Cold War and post-Sept. 11 world, a great deal of attention has been paid to multilateral cooperation in East Asia and to the formation of various economic and political cooperation and dialogue mechanisms aimed at creating a sense of East Asian and broader Asia-Pacific community. The United States has been an active partner in some of these community-building efforts and, in recent years (unlike the early 1990s), has been generally supportive of – or at least not actively opposed to – those in which it is not a member. In fact, the Bush administration, despite its (sometimes-deserved) reputation for unilateralism elsewhere, has been particularly supportive of East Asian multilateralism.

Nonetheless, it is difficult to discuss U.S. attitudes toward the development of an East Asian Community since such a community has yet to really be defined – much less credibly emerge – and regional governance, even within the much more tightly knit Association of Southeast Asian Nations (ASEAN), has just barely evolved, especially compared to Europe. It is not even clear to this author what constitutes "East Asia," much less America's place (or lack thereof) in it. Some envision an "Asia for Asians" approach, arguing that an East Asia community should be restricted, at least initially, to the ASEAN Plus Three (APT) members; i.e., the 10 ASEAN countries (Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, the Philippines, Singapore, Thailand, and Vietnam) plus China, Japan, and the Republic of Korea. But, at the APT Summit in Vientiane, Laos on Nov. 29-30, 2004, India was also represented (as it had been in 2003), with Australia and New Zealand also participating for the first time.

At this writing, it appears that all of these states will be invited to the first East Asia Summit (EAS) in Malaysia in December 2005, even though former Malaysian Prime Minister Mahathir Mohamad has made it clear that he personally does not believe Australia and New Zealand belong in the group. He seems more favorably disposed

toward New Delhi, even though India's ties to East Asia, while growing, pale in comparison to those of either Canberra or Wellington. Meanwhile, no one is quite sure what to do about North Korea and everyone seems to overlook Mongolia while trying to ignore Russia, even though all three are arguably East Asian nations.

The big question, of course, is whether Washington should be included in this evolving East Asia community. Arguments can be made both pro and con. How and why Washington is excluded could be as important as whether it is invited to participate. It is not clear if Washington even desires a seat at the EAS table – getting President Bush to two Asian summits in two months would be no mean feat. (He is scheduled to attend the APEC Leaders Meeting in Busan, Korea in November.) But Washington is interested in the composition of the group, the criteria for membership, and most importantly (and still largely undefined) its mission, objectives, and priorities.

It is also important to put East Asia regionalism into context. No one seems to be promoting or anticipating a European Union-type arrangement. Attempts by Indonesia in the past year to make ASEAN into more of a coherent community, through the establishment of an ASEAN Community (comprised of an ASEAN Security Community, an ASEAN Economic Community, and an ASEAN Socio-Cultural Community) have shown just how difficult it is to get these nations – some of which have been closely aligned for over 30 years – to think and act as one, especially in the security arena. Developing a lowest common denominator for security cooperation among these 10 diverse nations is difficult enough; imagine adding China and Japan to the mix (much less the two Koreas). If current established multilateral community-building mechanisms, such as the ASEAN, APT, the ASEAN Regional Forum (ARF) and Asia Pacific Economic Cooperation (APEC) "gathering of economies" are any indication of the willingness of East Asian nations to seriously address issues of regional governance (and the "interference in one another's internal affairs" that true regional governance requires), one should not expect much progress soon.

In this brief commentary, I will speculate on what kind of response one should expect from the U.S. regarding regional attempts to further develop an East Asia community (with or without Washington's direct participation) and how this will impact U.S.-China and broader relationships between the U.S. and the nations of East Asia. Previewing my conclusion in advance, I would argue that, in the final analysis, much depends on who leads this community. Will ASEAN remain in the driver's seat? If so, can 10 drivers steer a steady course? If not, who will emerge? As the real economic giant in East Asia, one could argue that leadership should go to Japan. Ironically, a decade ago, when others in the region seemed prepared to accept Japan as the so-called "lead goose," Japan was hesitant to assume this role. Now, as Tokyo finally emerges from the shadow of its own past, it seems to be entering into the shadow of the region's emerging new giant, China. Will China be the presumptive or *de facto* leader of this new East Asian Community? If so, will that leadership be benign or will it be aimed – or be perceived by the U.S. as being aimed – at limiting or replacing Washington's (and Tokyo's) influence in the region.

How an East Asian Community relates to the region's other multilateral organizations and initiatives – both institutionalized (like the ARF and APEC) and ad hoc (like the Six-Party Talks and the Proliferation Security Initiative) – will also be a key factor affecting Washington's attitude, as will its adoption of global norms, especially in the areas of counter-terrorism and counter-proliferation. Will the new East Asian Community reinforce these efforts or dilute them? Will it help the states of the region to more effectively address growing transnational challenges . . . or provide another excuse for avoiding such efforts? The answers to these questions will help determine Washington's attitude toward the emerging East Asia community.

It is important to note at the onset that, as a general rule, Washington has historically viewed Asia-Pacific multilateral organizations as useful vehicles both for promoting greater political and economic cooperation and for enhancing regional security. This support has one important caveat, however: No U.S. administration, be it Republican or Democrat, is likely to allow such institutions to be seen as substitutes for or as threats to U.S. bilateral alliances and other security arrangements. Like the Clinton administration before it, the Bush administration does not see bilateral and multilateral efforts as being in opposition; rather, they complement one another. East Asian organizations are seen as useful tools in pursuing U.S. national security objectives.

The Bush administration has also been cautiously supportive of multilateral organizations, such as ASEAN Plus Three and the Shanghai Cooperation Organization (SCO), which do not include the U.S., although it appears that, in its second term, it is starting to cast a more watchful eye, especially on those organizations established and/or dominated by China, to ensure that these do not represent efforts to diminish Washington's (or Tokyo's) influence. And, as the U.S.-led international war on terrorism demonstrates, while Washington is eager to develop a multilateral approach in combating global terrorism, it has made it clear that this will not deter the U.S. from pursuing its objectives unilaterally if necessary.

Washington appears to be taking a "wait and see" approach toward this December's inaugural EAS to see how it differs from or builds upon the APT initiative from which it is evolving. An EAS was originally proposed by the APT East Asia Vision Group in 2001 as part of its transformation process. Criteria for full participation has been established: countries have to become full dialogue partners of ASEAN, have substantial relations with ASEAN, and have acceded or have agreed to accede to the ASEAN Treaty of Amity and Cooperation (TAC). The TAC criteria was seen as an effort to keep Australia out of the EAS, although Australian Prime Minister John Howard has said that his government is now prepared to join the TAC – New Zealand and India have also agreed to sign the TAC. The U.S. has not.

In response to a question about U.S. attitudes toward multilateralism and regional integration in East Asia, Assistant Secretary of State for East Asian and Pacific Affairs Christopher Hill recently asserted that "we are very, very much supporting multilateral structures in Asia." He said the U.S. and its ARF partners were "doing a lot . . . to create

a better sense of community in East Asia." In what could be seen as a note of caution about the EAS, however, he cautioned that "we have been very supportive of creation of [multilateral] structures with the caveat that we want them to have a sort of open architecture and be inclusive rather than exclusive."

In short, U.S. policymakers generally believe that Asia-Pacific multilateral organizations are useful vehicles both for promoting greater political and economic cooperation and for enhancing regional security. While such organizations hold many promises for Asia, it is important to understand their limits, as well as the opportunities they present. East Asia multilateral security mechanisms are viewed as confidence building measures aimed at avoiding or dampening the possibilities of (rather than reacting to) crises or aggression. Peacekeeping and disaster relief operations and nontraditional security issues (such as refugee problems, maritime safety, pollution, and other environmental and safety issues) also seemed well-suited to a multilateral approach. In many instances, the process is as important as the product.

Efforts that build upon and seek to complement, and not to replace, existing bilateral and ad hoc relationships that already exist in Asia are of particular value from a U.S. perspective. Any effort that is perceived at undermining U.S. bilateral dealings, and especially those that seek to diminish or replace U.S. key bilateral security alliances, are sure to be rejected by Washington both today and by future administrations.

Generally speaking, Asian multilateral security mechanisms can serve as important vehicles for promoting long-term peace and stability. They provide a framework for continued direct U.S. involvement in regional security matters. Since Sept. 11, they have also become increasingly relevant for coordinating regional views and efforts in the war on terrorism. Nonetheless, their utility remains limited, especially in the security arena, for two primary reasons. First, while steps have been taken since Sept. 11, 2001 to put some operational substance behind cooperative efforts, these organizations still largely remain dialogue mechanisms, which talk about – rather than respond to or deal effectively with – emerging security challenges. And second, Taiwan has been systematically excluded from many of these mechanisms and one of the region's greatest security challenges – cross-Strait relations – has been purposefully kept off the security dialogue agenda at Beijing's insistence. As long as these characteristics prevail, the prospects and promises of multilateral security cooperation in the Asia-Pacific region, at least from a U.S. perspective, will necessarily be limited.

One objective of this paper was to speculate on Washington's attitude toward the evolving East Asian community. The bottom line is that it is much too soon to tell. Much will depend on how (if) this community evolves and how it interacts both with the U.S. and with the institutions that Washington actively participates in and supports. To the extent the new community signals its willingness to at least coexist with Washington, even if it fails to embrace its full membership, and is not seen as threatening or attempting to undermine Washington's bilateral alliances, its own central role in East

Asian security affairs, or the broader Asia-Pacific regional institutions in which it participates, there is little reason to expect objections from Washington or a serious effort to discourage or derail regional community building efforts. U.S. comfort level will be particularly high if Japan assumes a greater leadership role in such a community.

The reverse, of course, is equally true! A community that is exclusionary or is lead by China and is aimed at diminishing U.S. and Tokyo's regional leadership role will be troublesome, especially if China is seen as activity using the East Asian "bully pulpit" to preach against "hegemonism" or "unilateralism." It remains to be seen which outcome will prevail. I do not have the answers, only a list of (annotated) questions. The way the East Asian community will evolve will depend, in large part, on the answers to these questions:

- What are the objectives of Indonesia's ASEAN Security Community (ASC) proposal and what are the prospects of ASEAN successfully pursuing this effort? Will the ASC help set a more positive security agenda for the ARF or for the emerging East Asian Community? My guess is that Washington would welcome a more pro-active ASEAN that put more emphasis on security cooperation and joint approaches to security challenges. The ASC emphasis on promoting democracy and individual rights, if seriously supported and pursued, would also be in keeping with Washington's regional and global objectives. Merely paying lip service to these objectives, on the other hand, will reconfirm negative opinions about ASEAN's seriousness and long-term direction.

- Is Indonesia prepared to lead ASEAN in developing an ASC? Are the other ASEAN members prepared to follow? Will ASEAN remain in the driver's seat for the ARF, APT, and emerging EAS? If not, who will lead, and in what direction? Can/will Japan step forward and exercise leadership behind the scenes and act in concert with other friends of Washington (like Singapore and Australia) to ensure that the EAS does not evolve in a manner that runs contrary to U.S. interests?

- Is the East Asia Summit the primary vehicle for building and sustaining the East Asian Community? Are the two synonymous? The relationship needs to be better defined, since there are many competing views of what constitutes East Asia and what vehicles will best create this sense of community. Since the various multilateral initiatives provide a mind-boggling array of combinations (one even includes Persian Gulf countries), it is getting more and more difficult even to define East Asia, much less to determine which effort or efforts are helping to establish the desired sense of community.

- Who gets to come to the EAS, in what capacity, and by what criteria? The EAS was initially envisioned as part of the APT process, but appears destined to go beyond these 13 states. Why? How do the APT and EAS differ? What is the EAS mission statement and objectives? (To date, more time has been spent debating

about who should join than determining what should be discussed. No agenda has yet been agreed upon for the December meeting.)

- Creation of the EAS could be viewed by an outside observer as an effort by the larger East Asia powers, like China and/or Japan, to try to gain increased control in shaping the agenda, a role up to now largely played by ASEAN. Is the decision that EAS members have to sign up to the ASEAN Treaty of Amity and Cooperation (TAC) an effort by ASEAN to reassert its central role, or just a clever way to keep Washington (among others) out . . . or both?

- Will Beijing emerge as the eventual leader of the EAS or East Asian Community? If so, will it be benign leadership or will we see Beijing trying to use such a forum to reduce U.S. influence or marginalize Washington's bilateral alliances, which still rest at the foundation of the U.S. security strategy in Asia? If so, how will Japan, South Korea, and other U.S. friends and allies respond?

- Finally, how do members of the East Asian Community – whoever they may be – define the relationship between Asia-only mechanisms such as APT and broader efforts such as the ARF and APEC? Which type of efforts will receive pride of place? Clearly it does not have to be, and is unlikely to be described as "either-or." But, where will the focus and bulk of the effort be? Will the outcomes and efforts be mutually reinforcing? Will the East Asia effort help set the stage for and supplement or even advance the broader dialogue or will it be used as an excuse for inaction? If the former, how does one create avenues of interaction between East Asian and Asia-Pacific mechanisms to enhance their mutually supporting roles?

Until the answers to these questions become clear, it will be difficult to determine the prospects for the creation of a true East Asian Community and/or Washington's receptivity to this effort. Meanwhile, East Asia community building, with or without Washington, is not going to be easy, witness rising nationalism in Japan, China, and South Korea, which has caused tensions in all three sets of bilateral relations and especially between Japan and its neighbors. Unless and until all three can more effectively channel or control their respective nationalist tendencies, it is difficult to image a true East Asia community taking shape.

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Strategic Perspectives on U.S.-China Relations

By Sun Zhe

Bill Clinton's theme song in 1992 was "Don't Stop Thinking About Tomorrow." In speculating on strategic perspectives of the U.S.-China relationship, we must begin with an analysis of the past and current developments in the bilateral relationship.

I argue that for a long time mutual perceptions have led the two countries to deal with each other in a suspicious way. Both countries have demonstrated extraordinary sensitivity to the bilateral relationship since Sept. 11 and a psychological orientation toward accepting the principles or rules of dialogue has been formed in recent years; but at the same time both intentionally took a selective adaptive method in dealing with criticism.

Today the two countries are economically hopeful about entering each other's markets and there is an expansion of economic ties. But the two governments are still uncertain on a number of issues, especially when domestic politics in both countries get involved.

I'll focus on an analysis of Chinese behavior.

Structural constraints

The U.S. and China are both "strategic competitors" and de facto strategic partners. The structural constraints in the bilateral relationship are demonstrated in the following perspectives.

While in general Americans are more apt to view the U.S.-China relationship as unfriendly than friendly (and only a small minority views China as an outright enemy), at the policy level, current U.S. decision makers still think that China is a major ideological rival, a realistic economic competitor, and a potential military adversary.

- *A major ideological rival*. The core of the debate about China in the U.S. has revolved around the ability (or inability) of Americans to influence China in the direction of American values. The U.S. never regards China as a normal partner in the international community, but a dissident and unreliable state politically. To many Americans, the rise of China and the Chinese model of development have made them feel uncomfortable; If the CCP stays on power for a long time and China continues to grow, then this would be a different model of growth that might challenge the Western path of development.

- *A realistic economic competitor*. China has gone beyond its national borders and its "panic purchasing" behavior made a lot of Americans believe that China might be an economic threat to the U.S.;

- *A potential military adversary*: "In spite of the war on terrorism… the U.S. strengthened its military presence on China's periphery and formed a *de facto* military encirclement against China. Meanwhile, U.S. relations with countries like Japan, India, and others are driven by an obvious intention of balancing China. To some extent, U.S. security policy toward Asia contradicts Chinese efforts to improve political and security relations with some of its Asian neighbors and create a favorable regional security environment."(Wu Xinbo)

The Chinese government believes that the U.S. is a powerful ideological infiltrator and a selfish economic state, but it can serve as a role model for Chinese economic modernization, and a possible military opponent to China's unification process. China also has a positive impression on social cultural dimensions of the U.S.

- *The most powerful infiltrator and meddler in Chinese ideology.* China believes that the U.S. tries to shape the choice of values and forms of government in the developing world; this proves that the struggle over beliefs and values may be as complex as the struggle over other forms of power.

- *A selfish economic state*. China believes that the U.S. could serve as a role model for China's development and by working with the U.S., it can open itself wider to foreign economic competition. Chinese government officials and intellectuals are aware of and accept the fact that the U.S. is still the only superpower. However, China also learned a lesson from series of crisis that the U.S. is a selfish state that only cares about its own economic interests. China needs to prepare well for more trade conflict with the U.S.

- *A possible military opponent to China's unification effort*. To many people in China, the U.S. seems like a country that relies on military might. It is a lonely superpower that shoots first and asks questions later. According to a poll conducted by the Institute of American Studies of CASS, the CSIS, and CAS of Fudan, 87.1 percent of the Chinese people believed that the U.S. is "least friendly" to China; 57.2 percent said that the U.S. is the country to which they felt most negative; and 85.4 percent said that the U.S. engagement in the Iraq War was "out of its own interests". Still, a largest group of Chinese respondents (nearly two-fifths) selected the U.S. as "the biggest threat to China's security."

Normative compliance and hard bargaining: China's cooperative behavior

In the area of foreign policy, China has adopted an increasingly cooperative posture in working with the U.S., as well as with the world at large.

On the one hand, it is "grudgingly" prepared to live with the reality of a unipolar world in which the U.S. is predominant, provided that U.S. hegemony won't hurt Chinese

interests; on the other hand, China is learning quickly on how to deal with challenges and trying to represent Chinese interests overseas.

In any case, China has begun to shape the international landscape, especially in the area of economic development. How will China use its capabilities? Will it be a balancer or stabilizer in the world?

Except on the Taiwan issue, it is more likely that China will not become a military threat to other countries. However, as Chinese economic development continues, China will reach out for resources? That's why China emphasized "economic diplomacy" in recent years. Diplomacy needs to serve national development. But does that mean that China will become a predator for international economic resources?

As far as U.S.-China relations are concerned, the U.S. in the eyes of most Chinese, is both a beautiful country and an imperialist empire (*mei di*). China has contrasting images of the U.S.: it "sometimes views the U.S. as a paper tiger and sometimes as a real leviathan."

From the elite point of view, most Chinese government officials and intellectuals have doubts about U.S. leadership in the world. Leadership (*lindao*) in the Chinese cultural system must be essentially a hierarchical order, a superior-inferior relationship. A good ruler or leader must set a moral example, showing his conscience and benevolence for his people rather than taking his own interest before the interests of the citizens. (*Wang Jisi*) China is disappointed at U.S. selfishness – its unilateral action and lack of tolerance. Blame and criticism of U.S. hegemony in official ideology and media are everywhere. The anti-American sentiment is so strong that it is not possible to say "long live the U.S.-China people's friendship".

But that doesn't affect the Chinese government's determination to adopt a more cooperative posture with U.S. scholars, and government officials tell the U.S. that China and the U.S. are two driving forces of one airplane and it can fly high and make the whole world a better place to live.

China always desires productive relations with the U.S. China's cooperative behavior is guided by a philosophy of "keeping a low profile and never take the lead" in international affairs. China is very serious in thinking along the line of "how to make Americans believe that they win in their values system in dealing with us? Even if China is bullied by the U.S., what should we do? We'd better wait for our best time. Peaceful evolution also gives us a chance for self-development. We need to take advantage of that and influence the future direction of the bilateral relations."

Over the last 25 years, China has developed practical skills in dealing with the U.S. for cooperation. It has two faces in speaking to American and to its own people. For example, to show its goodwill, Beijing has offered $150 million in aid to Afghanistan. It has also played a role, no matter how awful the middleman is, in the Six-Party Talks.

A silk road scenario?

Will the relationships between China and the U.S. grow in trust and become more collaborative? A "muddling through" but stable scenario of U.S.-China relations will depend on whether China can make three key developments in the following areas:

First, whether China's capacity and willingness to undergo deeper reforms continue. China needs to pay close attention to internal issues of sustainable development and social stability. If its comprehensive internal reforms successfully address some of the major challenger related to the transition toward a market economy, then it will enable sustainable growth. Otherwise China's failing reforms might lead to an unfavorable business environment and result in a discriminatory global response.

Facts:

- Even though China produced one-third of color TVs in the world, half of the telephone, half of the VCD and 80 percent of lighters on international markets, there are still 100 million immigrants in cities. Tough issues in policy making emerged in terms of city management, especially those related to job treatment, social welfare, education, and other areas.

- According to Chinese government statistics, at least 15 million city dwellers live under the poverty line. And 80.6 percent of the people are dissatisfied with the widening gap between rich and poor. How to solve these issues is a serious challenge to the local and central governments.

Fact:
Look at the national economic development index in 2003-2004; China had three structural problems: agricultural product, overheated investment in certain industries, and in an economy on the verge of losing control.

- In terms of agricultural problem, China in 2003-2004 was short of grain. The actual cultivated land was about 1.49 billion mu (Chinese acre), and that was the lowest level since 1949; the total amount of grain produced in 2003 was 861.4 billion jin (430.7 billion kilogram), the lowest amount since 1995. That means the average share of each person is about 334 jin (167 kilogram), which is also the lowest in 20 years. China needs to import grain to feed itself.

- Overheated investments is another problem. For example, all social investment increased at 37 percent, but in the area of steel and cement industries, the investment rates actually increased by 108 percent and, 102 percent, not to mention some other areas such as in real estate and textile.

- In terms of an economy on the verge of losing control, there were 24 provinces and cities with limited use of electricity in 2004 (23 in 2003) and

> because of the shortage of power, local governments, and companies over invested in power plants. In 2003 alone, Chinese investments in this area were about 4 trillion watts capacity, which is larger than the total capacity of Germany, France, and Italy. In 2005, China plans to invest another 7 trillion watts, which is close to that of the U.S. (Beijing Discussion with Qiu Xiaohua)

Second, can China, at the same time, carry out a "constitutional soft landing" in political reforms?

China is experiencing an awakening of individuals and a restructuring of private and public domains. Yet political reform or democratization has yet to be put on the agenda of the majority of people in China.

The Chinese political system as a whole has gradually evolved into one of 'soft Leninism.' "…Formally the country was marching toward socialism," but in China today, "people are marching in all sorts of directions, many of which could not by any stretch of the imagination be called socialist."(Tom Bernstein)

To what degree are people willing to make compromises and sacrifices to their freedom to satisfy the need for economic growth? Can the Chinese regime in its transforming stage enjoy any support from its people without granting them fundamental political rights?

Fact:
A general survey revealed that when the Chinese are confronted with the question of a trade-off between economic development and political democratization, nearly half chose economic development and only 20 percent believe democracy is more important. (Shi Tianjian).

- "Democracy" in many Chinese people's minds can refer to various things ranging from "[a more effective means] to resolving problems facing our country" to "certain adjustments" in the political system.

- There is no evidence that people think of democracy as synonymous with liberty, in terms of fair and regular elections, competition for office, and a constitutional guarantee of civil and political liberties and civic participation.

- Many would not understand Schumpter's definition of democratic "institutional arrangements."

I believe that both the regime and its people learn from past experiences and try to reach compromises.

- On the one hand, the ruling party does not only count on improving livelihoods to maintain political support. It has also put forward the theory of "Three Representatives" in the Party's constitution, thus forming a new alliance with intellectuals and business elites to ensure a political consensus.

- On the other hand, ordinary people now try to limit their appeals to economic issues and avoid making political requests. As long as the regime has both the intention and the capability of satisfying the economic demands of protesters, those participants are willing to package their demands into economic ones. Therefore, the majority of organized collective acts in China may remain "regime-confirming" rather than "regime-challenging" activities.

So rather than being predetermined at an abstract theoretical level, the nature and content of the democratic transition in China has changed.

Third, can China continue to build its international relationships and play a constructive role in thriving international institutions? Its success will help to build global and regional stability, as well as cooperation and trust between the U.S. and China.

China only signed 34 international treaties in 1979, but now there are more than 220; overall, China has become a normal member of the international community in terms of anti-terrorism, international peace, and collective action. However, China wonders whether Western powers will take a hostile stand toward its peaceful rise.

In addition to these three key elements, I would argue for more people-to-people contacts.

The UPS and American Chamber of Commerce sponsored a program to promote mutual understandings between the U.S. and China. They sent U.S. congressmen to Hebei province for a new hope-project – setting up primary schools in rural areas. Those U.S. congressmen worked very hard for two days in a small village in Hebei. They assembled desks chairs, and donated some personal money for sports facilities. Local people who watched them were so surprised to see that Americans are nice and work hard for Chinese schools! What surprised them most: American can do good thing for us. That was an astonishing discovery after the U.S. bombing of the Chinese embassy in Yugoslavia in 1999. Sponsored by the same project, Chinese students and teachers from that Hebei school were invited to visit the U.S. and they met with more than 60 congressmen. They told their views on U.S.-China relations and the U.S. congressmen were very interested in listening to them. If these kind of direct contacts can be expanded, then both counties might be able to look at each other in a new fashion.

Fudan University
The CNA Corporation
Pacific Forum CSIS

"Sino-U.S. Relations and Regional Security"

August 17-19, 2005
Honolulu, Hawaii

AGENDA

WEDNESDAY, AUGUST 17

6:30PM Reception and opening dinner for all participants *(Poolside)*

THURSDAY, AUGUST 18

8:30AM Continental Breakfast - *(Naupaka Meeting Room; 4th Floor)*

9:00AM Introduction and opening remarks by co-chairs

9:15AM **Session 1: The Year in Review** [Charles Morrison and Ni Shixiong]

This session examines regional and global developments since our last meeting. How do the two sides characterize the bilateral relationship? Has it developed as anticipated? How has it diverged from expectations? What has influenced the relationship? What are the key opportunities and challenges? Topics could include continuity and change in the second Bush administration, the war against terrorism, human rights, economic relations, and perceptions of China's rise and role in East Asia and globally. (Discussion of Taiwan and North Korea/Six-Party Talks should be deferred to subsequent sessions).

10:30AM Break

10:45AM Session resumes

12:00PM Lunch – *(Padovani's Restaurant – Lower Lobby)*

1:30PM **Session 2: The Security Relationship and Military-Military Dialogue** [Adm. McDevitt and Col. Guo Xinning]

There is increasing attention to the military dimension to the bilateral relationship. How do they define threats and responses? Particular attention should be given to the December 2004 Chinese White Paper and the 2005 U.S. Department of Defense Report on the People's Liberation Army. What is the significance of each

document? What is the status of the new QDR; what will it tell us about U.S. strategy and relations with China? How can the two sides ensure that military issues don't dominate the relationship? What is the impact of U.S. attempts to transform and redeploy its forces? What is the impact of the new "strategic dialogue" between the two governments and what should be its focus?

3:00PM Break

3:30PM **Session 3: Challenges for U.S.-China Relations: Cross-Strait Issues** [Denny Roy and Ding Xinghao]

What are the prospects for cross-Strait relations after the visits to the mainland by Taiwanese opposition leaders? Is a breakthrough possible? How do the two sides view Taiwan and the triangular relationship? What practical steps can be taken to minimize tension across the Strait and build on recent developments? Topics could include the anti-secession law, the referendum on Taiwan's constitutional assembly, Chinese missile deployments, talk of a new Taiwanese military strategy, U.S. arms sales to Taiwan, and cross-Strait economic relations.

5:00PM Break

6:30PM Dinner – *(Poolside)*

FRIDAY, AUGUST 19

8:30AM Continental Breakfast - *(Naupaka Meeting Room; 4th Floor)*

9:00AM **Session 4: Challenges for U.S.-China Relations: The Korean Peninsula** [Scott Snyder and Tao Wenzhao]

How do the two sides view developments on the Korean Peninsula? How are relations between Seoul and Washington and Beijing? What are our views of, and desired outcomes for, the Six-Party Talks? How can the deadlock be broken? What is China's role in these talks? What does Washington expect from Beijing? What does Beijing expect from Washington? Are these expectations realistic? How do the two governments view the regime in Pyongyang? Topics could include U.S. force realignments, the prospects of North Korean brinkmanship, and the impact of Korean developments on the U.S.-China relationship.

10:30AM Break

10:45AM **Session 5: Managing East Asian Integration** [Ralph Cossa and Wu Xinbo]

How does each country see the process of East Asian integration developing? What is driving it? What shape and form will it take? What is the appropriate U.S. role in the emerging East Asian community? How will/should East Asian mechanisms (APT, EAS) interact with broader regional institutions (ARF, APEC)? A key element of this community will be the axis between Beijing and Tokyo, a relationship that is under considerable strain. What are the causes of this downward turn in relations? How can it be repaired and insulated from affecting the overall relationship? Can Beijing support Japan's bid for a permanent seat on the United Nations Security Council? How do U.S.-Japan relations affect relations between Beijing and Tokyo?

12:30PM Lunch – *(Padovani's Restaurant – Lower Lobby)*

1:30PM **Session 6: Building a Stable Future** [Bonnie Glaser and Sun Zhe]

This session will look at the future of the relationship. Can Sino-U.S. relations still be described as "the best ever"? If yes, how can this be sustained? If not, why not? What are the major challenges? What are the prospects and avenues for future cooperation? Attention should be given to issues that will unite or divide the two countries and examine ways both sides can build a more solid relationship. What can track two do? Where should this dialogue go?

3:30 PM Adjourn

Dinner at leisure

4-6:00PM Young Leaders Meeting

6:30PM Young Leaders hosted dinner – meet in lower lobby

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Dr. NI Shixiong, professor of international relations, is Director of the Center for American Studies at Fudan University, Shanghai, China. He did his postdoctoral research at Harvard University (1980-1981); lectured at various U.S. universities like Columbia, Georgetown, etc. as a visiting professor. In the past 20 years, he made frequent academic trips to the UK, Canada, Japan, Korea, Vietnam, Luxembourg, Norway, Sweden, Hong Kong, and Taiwan. Professor Ni's publications include *Selected Readings on American School of Thought in International Relations*; *Conflict and Cooperation: An Introduction to Western Strategies*; *Reflection of the Century's Winds: Contemporary International Relations; International Human Rights*; *War and Morality – the Rise of Nuclear Ethics*;

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Mr. Scott SNYDER is based in Washington, DC, and is a senior associate in the international relations program at the Asia Foundation, and in the Pacific Forum of the Center for International and Strategic Studies (CSIS). He was recently announced as the 2005-2006 Asia Pacific Research Center at the Stanford Institute for International Studies Pantech Fellow. His publications include *Paved With Good Intentions: The NGO Experience in North Korea* (2003), co-edited with L. Gordon Flake, and *Negotiating on the Edge: North Korean Negotiating Behavior* (1999). Snyder received his B.A. from Rice University and an M.A. from the Regional Studies East Asia Program at Harvard University. He was the recipient of an Abe Fellowship, administered by the Social Sciences Research Council, in 1998-1999, and was a Thomas G. Watson Fellow at Yonsei University in South Korea in 1987-1988. While in residence at APARC, he will research the transformation of the Sino-South Korean relationship and its implications for the U.S.-South Korea security alliance.

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