



Asia: where are we, where are we going?

By Richard L. Armitage

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Lane Lecture in Diplomacy

The Ambassador L.W. 'Bill' and Jean Lane Lecture in Diplomacy honors the contributions and accomplishments of long-time Pacific Forum CSIS supporter and Board of Governors member Ambassador Bill Lane and his lovely wife, Jean. Bill Lane is former U.S. Ambassador to Australia and Nauru (1985-1989) and former Ambassador at Large and Commissioner General, Japan (1975-1976). A member of the *TIME Magazine* Board of Directors, he served for many years as publisher and chairman of *SUNSET Magazine*. His association with Asia dates back to World War II, when he served in and around the Philippines as a U.S. Navy gunnery officer aboard a troop ship. His interest in East Asia continues to this day. He founded the Pacific Area Travel Association and is a Pacific Basin Economic Council Trustee.



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Asia: where are we, where are we going?

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It is an honor to be back here, giving another “L.W. ‘Bill’ and Jean Lane Lecture in Diplomacy.” What a difference a year makes. Last year the podium was on the other side. Beyond that, we all had some money. We were feeling pretty lusty and bold about ourselves. But the year of the rat really didn’t treat us very well did it? I’m not sure the year of the ox is going to be so much better, at least in the near term. It’s been really rough for all of us.

I started out last year talking about Asia being the center of gravity, with the biggest GDP, biggest population, largest military, biggest hunger for petroleum and resources. Some of that is still true and some is not. And all the problems that existed in Asia 30 years ago are still right there.

So I’m just going to mention a few of the countries and share what I think at least, are interesting anecdotes.

I want to start with North Korea. Let’s be clear about one thing: they will fire a missile. I don’t know how well they’ll do it, but they will do it. They’re not going to be dissuaded from this and they’ve had success in these kinds of tactics in the past. Prime Minister Aso, President Obama, and President Lee of Korea have decided and said they will, in a non-hysterical manner, refer this to the UN Security Council as a violation of UN Security Council Resolution 1718, but not overreact. North Korea is not unlike a kid pounding on his high chair with his spoon for attention. That’s what’s happening.

But I want to be equally clear that in my view, there is no chance of separating Kim Jong-il from his nuclear weapons. There is none. It is useful to have the Six-Party Talks, but we’re not going to separate this man from his nuclear weapons. That leaves us with two choices. We can simply move to a counter proliferation strategy or wait for a better day. Which leads me to the first point: if the United States, Korea, and Japan are not involved in in-depth discussions about what to do when Kim Jong-il passes, then we ought to be. And he will pass. A man having a medical event like he had is three times more likely to suffer another as any heart doctor or stroke doctor will tell you. He will not live forever and that’s when we’ll have an opportunity perhaps to maybe change the equation in some small way.

South Korea. I had a delightful opportunity to visit with President Lee in the late fall and he had several interesting things to say. I asked “Mr. President, why did you come to visit a lame duck president in the last months of his administration [then U.S. President George W. Bush] when you could have waited and been an honored guest early on in the new administration no matter who won?” He said, “the reason I did that was because my message wasn’t for the American people, it was for the Korean people. I was sending a message to the Korean people, that there’s a new leadership here and we have a different view of the U.S. relationship and I wanted to demonstrate that.” And he said further, “that’s why I stopped in Japan on the way

back. That wasn't a message for the people of Japan it was a message for the people of Korea, that we wanted a different relationship with Japan." All of a sudden my appreciation for President Lee grew enormously. It made sense to me. I had never considered his motives.

He went on to say that Americans shouldn't underestimate the difficulty of the task he had in the Republic of Korea. He said 10 years of what he described as left-leaning governments had left him with a national intelligence service that didn't collect intelligence, except on friendly diplomats. They viewed themselves as the conduit for relations with North Korea. And that's what they concentrated on. He said likewise of the military, "did you know about this spy we caught?" A mata-hari spy had been running around for three years. I said "yes sir, I heard about it." And he said "maybe what you don't know is that not only were field-grade military officers giving her documents – not just telling her – but she was also allowed free access on to Korean military bases to teach a class." Can anybody guess what the class was in? *Juche*, the philosophy of Kim Il Sung and Kim Jong-il.

That was how things had drifted in 10 years. This left me with the understanding that we have a lot of work and President Lee has a lot of work to do in restoring the Republic of Korea and the U.S. relationship. I would say the same is true of Japan. So I hope you'd reach out for President Lee because he's put a hand out to Japan and to the United States.

Now let me take a moment to speak about Thailand and Malaysia. This is a terrible situation we're seeing when the democratic process is being reversed by middle-class people. Middle-class people are upset that poor people, poor farmers, have the same vote weight that they do. This is undermining democracy in a large way at the same time that you have that nagging insurgency in the south. The three provinces of southern Thailand do not look at themselves as Thai. I don't think the other Thai provinces look upon them as Thai either.

Malaysia is looking at the possible end of UMNO rule after 50 years or however long it's been since independence. For the first time in my adult life racial tensions are on the surface. And you can see them. It's no longer sufficient for Chinese and Indians to just have economic power and not partake in political power. Things are changing rapidly in Malaysia and badly.

Here's something that surprises me. If you told me a year or two ago that one of the biggest success stories in Asia was Indonesia, I would have thought it mad. But it is true. What President Susilo Bambang Yudhoyono has done in his Indonesian fashion is remarkable. It's a very vibrant and in Southeast Asia *the* most vibrant democracy. It's really magnificent. Now they've started tackling corruption. We're trying to gently improve our relationship notwithstanding some legislation that makes it difficult for us to engage the army. Japan has been welcomed by President Yudhoyono to be part of Indonesian life, and I desperately hope that you'll grab that.

The other difficult parts of the region you know well. Let's start with Burma. I was quite heartened by Secretary of State Clinton's comments about Burma, that maybe we ought to listen to some others and think about another way of doing this. I visited Aung San Suu Kyi 12 years ago and nothing's changed since then. We've had the same policy, and if the definition of insanity is doing the same thing over and over again and expecting a different result, then we

must be insane because we're not getting a different result. It's time to rethink our approach. Whether we decide we're on the right track or not, it's a good thing to do.

Now, a little about China. This particular year when anyone speaks about the People's Republic of China they tick off dates: 60 years since the founding of the People's Republic of China; 50 years since the invasion of Tibet; 30 years since the Taiwan Relations Act and our normalization with China; 20 years since Tiananmen; 10 years since we stuck a missile in their intelligence room in Belgrade by accident. It's full of management data points for our Chinese friends. And these are no longer fellows who said that they were going to try to remain humble in the world. They're acting now like a great power and they're speaking much more like a great power. They have tremendous problems, as we all know. But they are really shedding their past and trying to take a slightly more proactive role on the world stage.

I'm not going to be a China basher. I am going to point out some facts. If you look, as the *Economist* magazine said, in the cupboard of international cooperation of China, it's awfully bare: on big issues for us – Iran, Sudan, Venezuela, Burma – nothing. We'll see what happens if we refer the missile shot from North Korea to the UN Security Council and see what China does. They have been modestly helpful in the Six-Party Talks – I think we have to acknowledge that – but modestly, not over the top. They have been slightly more modestly helpful in counter-terrorism but beyond that I think to engage China and to expect to engage China on what we would call strategic issues is a fool's errand right now. That's because they don't view them as strategic – to us it's strategic – but not to them. They need access to oil and they're not going to be denied. That does not mean we can't find ways to engage China. In fact, Japan and the United States can very definitely engage China in climate change, environment, water management. All of these things help them and their desperate need, and it helps us, and it helps the general public good.

China has had some difficulties. I said I think they're trying to take a more proactive stance in the world stage. Remember Deng Xiaoping's admonition when he was the paramount leader. He said that China should hide its capabilities, be patient, carefully assess all situations, and never claim leadership. I believe to some extent that guidance still remains, but in some areas they're starting to step out a little bit. After the Olympics we saw some claws starting to come out, steel claws, and particularly over the question of Tibet. Having demonized the Dalai Lama for so long, they find it difficult to engage him when he is actually the moderate compared to the rabble rousers in Lhasa.

This 50th anniversary of going into Tibet is going to be tough. You saw how the Chinese reacted to President Sarkozy of France. President Obama is certainly going to meet with the Dalai Lama. I hope when he comes to Tokyo, whoever is the prime minister at that time will meet with the Dalai Lama. South Africa proved themselves again to be feckless for not issuing a visa to the Dalai Lama. How the Chinese manage Tibet is going to be a sign for all of us of how it's going to behave in the modern world.

We've had our own recent difficulties with China about 75 miles south of Hainan island. The Chinese are doing exactly what they did in March and April of 2001. They're trying to push us a little bit to see how much they can get us to back up. This was not just a message to the

United States; by the way, the incident with the *Impeccable* was not the first; we've had a bunch of these. The U.S. Navy has been kept relatively silent by the U.S. Defense Department. They're just trying to push us back a little bit. We got the message and we reacted appropriately. The message is for the Senkakus and the Spratleys. This is where they're really sending the message. I'll predict to you the Spratleys will be the next thing that the Chinese encroach. They are going to see how much they can get away with. Nobody begrudges the Chinese having a modern military. Nobody reacted when Defense Minister Hamada was told that the Chinese were going to develop a carrier. After all we have 12 or so, they could certainly have one or two. As I said last year, they're not going to subcontract protection of the sea lanes of communication to the Seventh Fleet. They are going to want to assure their access to it.

All these things are understandable and we're not in a position in which they are dominant. We still are, and particularly we and Japan are overwhelmingly more powerful than China. But not knowing their intentions and not knowing the ultimate direction and the pace in which China is moving make it difficult for us to guess. Until China can be more transparent we will continue to have questions.

You have heard a lot about the so-called "G2" meeting coming up in London. I hate this terminology. I think China probably hates it too because it puts a little pressure on China. Some people say that right now is not unlike the Great Depression when Great Britain had been the financial leader of the world but was exhausted after World War I. They were unable to lead. We were coming back after the Great Depression rather rapidly but we were unwilling to lead for a time. And then we did take financial leadership.

Some people are wondering if the United States is Great Britain? Is China the United States of the depression years? I've thought about this and I came to the conclusion that the answer is 'no,' and I don't think that the guidance of Deng Xiaoping has been swept away. I think they are not going to claim leadership, particularly as they're not sure how this is going to come out, this whole economic crisis. They will grudgingly put \$50 billion or so in the IMF but they won't really do a Full Monty. They've got a lot of anger about the countries they think have got them into this, us and the Europeans. But after a recent trip to Asia I came back with one overwhelming conclusion: right now subterranean or beneath the surface of the water, there's a real competition of ideas going on. We will see whether a free market democratic system can emerge from this crisis more quickly and more regularly than an authoritarian, command-driven for the most part, economy, like China. Make no mistake, an authoritarian command driven economy has some attraction to some nations in Asia and beyond. So the stakes in this are high, and they are high for Japan, not just for the United States.

Now a little bit about the United States. I was thrilled that Secretary Clinton went to Asia on her first trip. I thought she did an overall magnificent job. I think she struck out on one issue and that was human rights in China, as the Chinese pocketed her comments and moved on. But other than that I thought she behaved splendidly, really knew her brief, and was terrific. I wouldn't criticize a thing about it. I was so happy she went to Japan and so happy that her first trip went to Asia because she knew that she had a reputation left over from her husband's eight-year presidency. I was delighted that President Obama took what everyone assumed to be a very lame duck prime minister and had him in as the first visitor.

So I'm going to ask our Japanese friends to accept it. Take "yes" for an answer, for heaven's sakes. Is that sufficient? No. Do the United States and Japan have to continue to look for ways to enhance this relationship? Absolutely. And those words are fine but they're not sufficient. But it's March. Take "yes" for an answer for a couple of months, I think that this administration is sincere and I very much hope that Kurt Campbell and our good friend Chip Gregson are soon nominated and confirmed. Both will be in their respective positions within a month or so and I think we can then take a deep breath and relax a little bit. Then we'll have some pretty good oversight of U.S.-Japan management and that's a good thing.

Now let me turn to Japan. We're not in good shape today in our relationship. Are we in terrible shape? No, but we're not where we were. And we're not where we were for a couple of reasons, some are on our side and some are on yours. On our side I think we have to understand that personalities got in the way of the Six-Party Talks and the abductees issue, and it happened. If you don't want to forget it, you have to forgive it or if you don't want to forgive you have to forget it. But it happened and it's over and we have to move on and not make the same mistake again.

On the Japanese side, there's something sneaking in as well. I was making something of a joke about taking yes for an answer, but I have followed editorial opinion and writings in your magazines recently and there is, as in the United States, a weariness with what I call "gas bag politicians." There's weariness with the inherited Diet seats in Japan. There are questions about bureaucrats and how dedicated they are and the people are a little tired of bureaucracy. There seems to be a longing for the period with a Tokugawa Shogun. It was a time when we weren't bothered by such things as black ships and foreign encroachment, although that's not quite true.

At any rate there is a longing for the past when you could close yourself in. This phenomenon is not only in Japan. You see this in the Middle East. We call it protectionism to some extent in the United States. We're feeling a little adrift since we can't handle all our relations by ourselves. But you can't turn back the historical clock. And in the writings, going back to the Tokugawa Shogun, or longing for it, there's a bit of anti-Americanism. It's creeping in. But as I said you cannot turn back the historical clock and we've got to move on.

I read Vice Minister Yamanaka's recent presentation to the Gaiko Forum. It was good, and he was talking about Japanese "smart power." It was a pretty good exposition of what Funabashi Yoichi used to call "civilian power." Civilian power – it wasn't smart power, it was soft power. There was no mention of PKO, no mention of dispatch of SDF. So it was soft power. We're missing a beat, particularly after all that Japan has done in the last eight years. We should try to consolidate what we've done in the past eight years, what you've done, and build on it.

We've got the 50th anniversary of the U.S.-Japan security treaty coming up. I think some in Japan and some in the United States think that in 2010 automatically we're all going to fall in love again with our security treaty. It's not going to happen. If we want to make this event notable and noteworthy then we better appoint either bilateral working groups or bilateral envoys, somebody to make this happen. And this is not a matter of in 2010 issuing a statement with some flowery language. In my view we should forward not only principles to guide us but

objectives to achieve. We're going to try to achieve these objectives, our goals – not goal – as we move forward. And what an opportunity we've got. There's the APEC leaders' meeting in Yokohama 2010. It is not beyond the imaginable that the president of the United States could go early or stay a day late and have a bilateral exposition of this with whoever is the prime minister of Japan. But we better start working on this now and not have our sights set too low. Likewise in March 2010 Japan is going to issue its National Defense Program Guidelines. This is going to be our first look at Japan's long-range planning. We ought to let Japan in a little bit to see what our QDR is looking like so we can see where the holes are in our defense capabilities. This is what allies can and should do. I personally believe we ought to expand on what's happened with missile defense for the United States. Japan has made an exception to the principles on arms exports. I would like to have very greatly enhanced defense cooperation. Some in Japan want this, certainly your Defense Ministry wants it now. Certain members of the Diet have historically spoken about it. This is a good objective. Cooperation in space is another important subject. How can we get rid of space debris? Or C4ISR? I'm not talking about weapons in space. I'm talking about the other aspects of space in which we share a common interest in preserving and expanding our capabilities and also cleaning up some of the debris. This is something that Japan has expertise in, and we've got some ourselves. We can make a big, big difference.

We ought to be trying to expand our trilateral relationship with India. We're doing this in sort of a subterranean way. We're having the *Malabar* exercises in the Indian Ocean and we'll run exercises with the Indians and then we'll exercise bilaterally with the Japanese and then Japan will exercise bilaterally with the Indians while we all steam around and ignore each other. It's a good start. I like it, but we ought to build on it. Certainly India is keen to do that. I would have said Australia would be keen too but the present government is not going to do it. So let's not fight that problem.

How about sitting down and having an in-depth discussion between United States and Japan on Taiwan? The direction of Taiwan to me looks fairly set. What does this mean to us strategically? I think it means a lot. We're not going to stop it; we can't stop it. We wouldn't want to if we could if this is what the people of Taiwan want. But what does it mean to us if Taiwan were part of the mainland in whatever fashion? Does it change our defense procurements? Does it change our abilities? Does it change the desirability of the use of Japanese bases in their home islands and in Okinawa? I don't know. But it's something that we ought to talk about. There are a whole host of different issues we can talk about and we can speak meaningfully to each other.

I don't have the answers. I have a lot of questions. But I do know one answer and that is we should take stock of where we are. I hope if you haven't already, then tomorrow we will acknowledge where we're angry at each other, and get it out and get over it, and start thinking about the future. If we find out and identify where we both are today and we lay out some objectives for where we want to be tomorrow and the next day, we can get there. But if we don't know where we are and if we don't know where we want to go, all roads will lead there. That's not the kind of relationship that I think most of you have given the majority of your adult life to – I certainly haven't, nor Jim Kelly, Jim Auer, or Joe Nye. We don't have all the answers but I think we've got some of the questions that could and should be asked.

Questions and Answers

Question 1: Are you concerned about the implications of a change of government in Japan and the Democratic Party of Japan taking power?

The question had to do with what if a new government comes to power in Japan and they have a different view of the relationship, the stationing of forces and maybe want to work more under a UN mandate, etc. These are some of the things that we've heard from time to time from Mr. Ozawa, the president of the DJP. Just for the record, we've heard almost everything from Mr. Ozawa from time to time. Second, I don't think we need to put Mr. Ozawa's personality on this because the DJP itself is very wide and it's a very broad coalition of folks. So, regarding the U.S.-Japan security relationship: if the government of Japan asked us to change things we'd argue, we'd kick and scream, but ultimately we'd have to do it. We would try to talk you out of it, we'd do everything we could, but at the end of the day we would do it. Second, as for working under the UN, it's good when it works but I mentioned China being completely unhelpful in most Security Council deliberations on major issues. I don't know how you would expect to get a PKO mandate from the UN for Japanese troops to be dispatched with China sitting there. But at the end of day we have to accept what the Japanese people decide. I also believe that at the end of the day, having had discussions with Okada-san and Hatoyama-san and the rest of the people in the DPJ, that once they're in power, just like Mr. Obama, just like Mr. Bush, just like every U.S. president, they will change the rhetoric that they use to get in power. I remain committed to the idea that working under a UN mandate is great but it's second to working under the U.S.-Japan Security Treaty.

Question 2: In the past, you supported a U.S.-Japan free trade agreement. Do you still?

I continue to think that a U.S.-Japan FTA is a very good idea. I think under present management in the U.S. and under the present situation – this longing for the past in Japan – it's probably unreasonable so I'd keep it as a future goal now. I think the president is going to have his hands full trying to manage the protectionists in his party. I think the FTA is not very feasible right now and I'm sorry to say that. I also noticed that in Japan when I gave that speech a couple of years ago I talked about agriculture and how we had liberalized fruit and everybody said it was going to be the end of the world and Japan got a very good niche market. I would think the same is true of rice and other things. But given the way editorials and others in Japan are talking about going back to being self sufficient in all of this, it's unlikely on both sides of the ocean, unfortunately.

Question 3: North Korea looks ready to launch a ballistic missile even though they say it's a satellite. How should the U.S. and Japan respond?

Our three governments, the U.S., Japan, and the Republic of Korea, ought to refer this immediately to the Security Council and have discussions there and not get hysterical about it. Japan has moved military forces – not just their ships to join our two Aegis ships off the coast of North Korea. There are other missile defense systems along the coast. If this missile goes awry then we'll be in an different ballgame if it doesn't go straight up. But I strongly urge not to get hysterical and I wish that our leaders would not use terms like “they must not” or “they cannot,”

because what are we going to do to stop them? We should use terms like “this is not in their interest,” or “this will be harmful in the international community and to their international reputation.” We should quit putting ourselves into a cul-de-sac which is what we do when use this very bold and almost inflammatory language – “they must not do this.” Well, what if they do it? It makes you look stupid and they look like they’re bold. So I think we need to calm things down. We need to take it easy.

Thank you.

About the Author

Richard L. Armitage is President of Armitage International, and a former U.S. Deputy Secretary of State. Prior to assuming that post, he was President of Armitage Associates L.C. from May 1993. He has been engaged in a range of worldwide business and public policy endeavors as well as frequent public speaking and writing. Previously, he held senior troubleshooting and negotiating positions in the Departments of State and Defense, and the Congress, including as Assistant Secretary of Defense for International Security Affairs. He is a graduate of the U.S. Naval Academy.

