



Rowing Together: A Chinese Perspective

By Ren Xiao

Issues & Insights
Vol. 13 – No. 9

July 2013

Pacific Forum CSIS

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Acknowledgements

The author would like to extend his gratitude to the Institute for Foreign Policy Analysis (IFPA) for the opportunity to take part in the *Rowing Together: Developing Parallel Paths to Stability, Denuclearization, and a Peace Regime on the Korean Peninsula* project. The event was held June 26-28, 2013 and was jointly organized by IFPA, the Beijing-based China Institute of International Studies, and the Seoul-based Institute of Foreign Affairs and National Security and included experts from China, South Korea, and the United States.

Rowing Together: A Chinese Perspective

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A fluid region

The most conspicuous phenomenon that characterizes Northeast Asia today is the entanglement of geo-politics and geo-economics, or, put another way, the interactions between security and economics. On the one hand, the region can by no means resist the dynamic forces of the twin trends of globalization and regionalization and detach itself from the rest of the world. On the other hand, the relics of the Cold War remain and linger menacingly in this part of the world. The Korean Peninsula continues to be a heavily armed area and there is a worrying trend for further development of nuclear programs as the Democratic People's Republic of Korea (DPRK, or North Korea) carried out a third test in February 2013, following its provocative rocket launch last December, ignoring the wishes and warnings from the international community. The "9/19" joint statement of the Six-Party Talks, in which the parties agreed to take substantive steps for the denuclearization of the Korean Peninsula and other related objectives, remains a good deal, yet the talks have been stalled since the end of 2008. Pyongyang's political relations with Washington and Tokyo are still in limbo and have yet to be normalized. However, these are part of a broader picture. Regional dynamics are changing and they are reshaping the regional landscape as well as the various relationships.

The standoff between China and Japan over the disputed Diaoyu Islands continues. Before the sovereignty question can be sorted out, which will not happen soon, the two countries have to discuss what they should do to avoid military conflict. The deep-seated factors that affect their mutual perception remain and will not dissipate anytime soon. The Sino-Japanese relationship has become a complex and multifaceted one and it entails multiple combinations of various factors. First, the relationship is a mixture of past and present. The words and deeds on the part of some Japanese politicians repeatedly stirred the Chinese people's collective memory by reopening the wound, which has proved extremely provocative and counterproductive. Clearly, they had negative effects on and disrupted current bilateral relations. Second, the relationship involves both domestic politics and foreign policy. The domestic political factors now exert a much greater influence over both Japan's China policy and China's Japan policy, perhaps more than ever before. When they deliberate their China policy or Japan policy, respectively, policymakers of both countries have to bear this in mind and seriously consider domestic pressures. Neither China's Xi-Li leadership nor Japan's Abe government has much room for maneuver in this regard.

Third, the relationship is an entanglement of sentiments and interests, which often seem to be in conflict. Paradoxically, on the one hand, the mutually beneficial economic and trade relations have reached a point at which neither side can afford a turnaround. In fact, China has become Japan's biggest trading partner. On the other hand, mutual perceptions of the two countries show a downward spiral over the past few years. Can Japan adjust its own mindset to adapt to a stronger and more prosperous big neighbor?

Will China be able to get beyond history by overcoming its victim complex? Can they manage the Diaoyu dispute reasonably well? Those are the crucial questions the two Asian giants must address.

The future of North Korea does matter considerably for the region. To a large extent, we still can only speculate about many things in the DPRK while it remains an opaque “hermit kingdom.” In essence, North Korea is a one-man state as the country’s supreme power lies in the hands of just one person. The current top leader, Kim Jong-un, who inherited his political power from his father, has consolidated his power base since December 2011 when he took over. Presumably, he controls the party, the army, and the government. The nature of the regime is such that the fate of the country has become totally dependent on its top leader. This is potentially risky. In 10 years’ time, will significant changes occur within the country? How will they happen? What will they be? There are different scenarios as well as great uncertainties.

As its neighbor and nominal ally, China always hopes for the best and encourages the DPRK to take a new path of reform and opening-up and to achieve change in a gradual and peaceful way. In essence, what is expected is a kind of soft landing; that would be consistent with Beijing’s goal of building a stable and peaceful external environment. For China, the peninsula has to be peaceful and friendly, divided or not. This is all the more so as China strives for a resurgence in its northeastern provinces, which is a major initiative of the Chinese leadership. With a turbulent and chaotic North Korea, it would not be possible for the “reviving the northeast” (*zhenxing dongbei*) drive to be successful.

The North’s provocative missile test-firings and the third nuclear test in February 2013 greatly disappointed Beijing and highlighted the limits of China’s influence on Pyongyang. The developments forced Beijing to rethink whether its DPRK policy worked. Currently, views are very much divided. There are people who still believe that North Korea is a buffer zone and that Pyongyang can “stand sentry” facing the United States and South Korea. The minority view criticizes the Chinese government’s approval of UN Security Council Resolution 2094 as it indicates that our policy is losing balance. A stronger view in this line argues that China is essentially abandoning and sacrificing the DPRK for its relations with the US, which should never happen. Yet a different school contends that China must maintain its resolute position of opposing North Korea’s provocative and destabilizing acts such as the missile firings and nuclear tests, as well as of supporting UNSC resolutions, albeit after some amendments. Obviously, North Korea’s acts were a loss of face for China, particularly when the latter was trying so hard to persuade Pyongyang not to do so, for the resumption of Six-Party Talks, and for a peaceful solution by diplomatic means. It should have come as no surprise that China was very unhappy. North Korean defiance ran counter to China’s already strenuous and difficult diplomatic efforts. Thus, Beijing had to do something to give the North Koreans a warning about their provocative behavior and to caution Pyongyang not to escalate but to return to the talks without any preconditions.

The difficult situation will continue for some time. Yet I would argue that sooner or later the DPRK will not only change but will change dramatically.

Post-Kim Jong-il interactions

Geography is destiny. Since the DPRK is right on the border, Beijing always wants to make sure there is no chaos (*luan*) that would have adverse affects on its Northeastern provinces. It also wants gradual changes in North Korea for reform and opening-up. These mean peaceful transformation of the North and a non-nuclear peninsula. Thus, when Kim Jong-il died in December 2011, an orderly transition to a post-Kim Jong-il leadership in Pyongyang was desirable for Beijing. The death marked the end of an era in the DPRK and the inception of the Kim Jong-un period. Immediately following the announcement of Kim Jong-il's death, China cautioned the relevant players to not try to take advantage of the death and act rashly. Beijing also attempted to establish contact with the Kim Jong-un leadership sooner rather than later. However, the face-to-face contact did not happen until July 2012 – seven months after Kim Jong-il's death – when Wang Jiarui, director of the CCP's International Liaison Department, traveled to Pyongyang. He was the first foreign guest whom Kim Jong-un greeted, and it was the first high-level contact between the two countries after the transition. Though exchanges of visits are infrequent, there have been two major visits at the highest level from North Korea since.

In August 2012, Jang Song-taek, vice chairman of the National Defense Commission and Kim Jong-un's uncle, who was widely seen as the “regent” at the time, made his way to China in his capacity as chairman of the Steering Committee for the development of the two economic zones, the Rason Economic and Trade Zone and the Hwanggumphyong and Wihwa Islands Economic Zone in the DPRK. As the first high-level delegation from the DPRK since Kim Jong-il's death, the importance of the visit far outweighed the business of the two economic zones. In fact, the visit was a contact at the highest level to exchange information and to come to know each other.

A number of things has happened since then. Two major developments, contrary to China's wishes, were Pyongyang's rocket launch in December 2012 and its third nuclear test in February 2013. Clearly, both violated UN Security Council (UNSC) resolutions and caused the Security Council to impose new sanction measures. In March, UNSC Resolution 2094 was passed unanimously, with China's consent. Given Pyongyang's provocative acts, China increasingly lost its appetite defending the North at the UN Security Council. Moreover, the third nuclear test happened during the Chinese New Year and disrupted people's holidays in China, an additional reason for frustration. After the third test, a Chinese idiom “*siwu jidan*,” meaning “unscrupulously” was more frequently used to refer to the way North Korea behaved. North Korea had made the move despite China's wishes and disapproval, and ties between the two supposed allies were hurt. In response, China not only agreed to the UN sanctions on the North, but it also started to put a squeeze on North Korean banks. Pyongyang lost more and gained less as China increasingly felt fed up.

A significant change in China's DPRK policy was that it became more serious in implementing sanctions. It was acting half-heartedly before, carefully avoiding being too tough and hoping for changes on the part of the DPRK. To China's dismay, Pyongyang seemed to be moving in a different direction. On a few occasions, China expressed warnings by using strong words, saying that China would not allow others to make trouble on its "doorstep." This was widely seen as a warning to Pyongyang.

The debate continues

The DPRK policy is one of the few foreign policy issues over which people have major differences in China. Over the years, China's policy toward North Korea had inertia. There was a clear ideological element in it regarding the DPRK as a "socialist country." The Chinese used an idiom "*kukou poxin*" – meaning urging somebody time and again with good intentions – to describe their way of trying to persuade Pyongyang, suggesting the latter should constrain itself with respect to nuclear development and take a new path of reform and opening-up.

North Korea's recent brazen moves once again caused a policy debate in China. In the research community, analysts have been debating about whether China should change course with regard to its North Korea policy. A challenging question is whether the DPRK should be "abandoned." The "abandonment" school argues that, after so many disappointments, China has to use pressure to rein in Pyongyang and must not allow it to hurt China's security interests. Using brinkmanship, the DPRK has offered the US many reasons to strengthen its military presence in the region, including the development of a missile defense system, which clearly is not in China's interest. If North Korea shows no regard whatsoever for Chinese national interests, why should China humor Kim Jong-un's wayward behavior? China should be prepared that this change would risk the deterioration of the China-DPRK relationship.

Opponents do not accept the phrase "abandonment" and see it as naïve and extreme. According to a *Global Times* editorial, "The North has annoyed most Chinese. Voices pushing to 'abandon North Korea' can be heard. They have even become formal suggestions by some strategists. There is no need to hide Chinese society's dissatisfaction with the North, and the interests of the DPRK and China have never coincided. However, the North remains at the forefront of China's geopolitics. The US pivot to the Asia Pacific has two strategic prongs, namely Japan and South Korea, and North Korea is still a buffer closer to them. Whether there is a friendly North Korea toward China will impact the strategic posture in Northeast Asia." The *Global Times* believed that China's policymakers would not follow the "abandonment" suggestion.¹ A similar viewpoint cautioned against "demonizing the DPRK and the external forces driving a wedge between China and the DPRK," stating that this was "simple logic."

A third view is that China should make policy adjustments. It is irresponsible to be oblivious to the current state of China-DPRK relations, which can be dangerous. Those who believe that criticizing the China-DPRK relationship is to demonize the

¹ "Geopolitics makes abandoning NK naïve," *Global Times*, April 12, 2013.

DPRK and split China and North Korea are overly ideological. They are not looking at the relationship from a right vantage point of nation to nation ties, but see the DPRK as an ideological ally. What needs to be stressed is that the relationship has to become a normal state-to-state relationship, and only on this basis can interest choices be made. China should decide to upgrade or downgrade the level of this relationship according to actual needs, and this has to be clear-cut rather than ambiguous or muddled. China can offer Pyongyang what it wants, yet, in return, Pyongyang has to respect China's interests. China has given considerable resources as aid to the North. This has played a key role for North Korea's stability and its survival. Under these circumstances, Pyongyang has to care about China's interests or concerns rather than disregard them and even kidnap or loot Chinese fishing boats and fishermen working in the adjacent seas. In this case, to continue to maintain the current status of the China-DPRK relations would be laughable and wrong, and would not win the other party's respect. China ought to be very clear and make Pyongyang face up to China's national interests by making adjustments regarding state-to-state relations with the DPRK, including its respect for the safety of the Chinese fishermen and their properties. As the *Global Times* editorial states, "China is bound to adjust its North Korean policies, but it doesn't mean it will side with the US, Japan and South Korea. Rather, it will respond to the North's extreme moves which offend China's interests and will make the North correct its moves."

A fundamental question in the debate is: is North Korea a buffer zone or time bomb? There are still people who believe that the North is a buffer in terms of China's security concern – a counterweight to the US-ROK alliance – and that China should not "lose" it. An argument in favor of this was made for the case of a contingency on the Taiwan Strait in which the United States might mobilize its troops stationed in South Korea. A different school of thought contends that militarily, a "buffer zone" like the North does not matter today. The North has actually become a time bomb that could explode at any time.² Beijing must dissuade Pyongyang from assuming that China will always believe that the DPRK is a buffer for China's security. In fact, North Korea has been oblivious of China's interests or concerns by making unbridled moves. Heightened tensions on the peninsula justified the upgrade of the US-ROK alliance, providing Washington with a further reason to "rebalance to Asia" by shifting more resources to the East Asia and Pacific region. This is not in China's national interest. At the end of the day, is North Korea an asset or a liability? This continues to pose a fundamental question for Beijing.

Amidst the tension, one incident at sea further aggravated China-DPRK differences and exacerbated the bad feeling toward Pyongyang in China. On May 5, 2013, a Chinese fishing boat from Dalian, Liaoning and the Chinese fishermen on it were detained by a North Korea People's Army unit. The detainees were asked to pay a fine of RMB 600,000 yuan, a large sum of money and in fact a ransom. This kind of incident had happened before, but has become more frequent recently. It was not the first time this year either. This time, however, it was reported by a Chinese newspaper, the Guangzhou-based *Southern Metropolis Daily*, on May 19 when the representations China's local authorities made had not worked. It was long-standing practice that Chinese newspapers

² Author's interview with a Chinese government official on May 27, 2013.

and magazines did not criticize North Korea, as the latter's embassy in Beijing would go ahead with a "protest" and this would cause a diplomatic "incident." A "lesson" had to be learned from the shutting of the journal *Zhanlue yu guanli* (Strategy and Management) several years ago. But this kind of "risk" long reflected the abnormality of the China-DPRK relationship.

When it was made public that the Chinese fishing boat and its 16-man crew were held for ransom by a North Korean armed group, public outcry and resentment toward North Korea mounted to fever pitch. Angry Chinese netizens expressed strong views by calling the country a "pirate state." Amid the public anger over the "kidnapping" of the Chinese fishermen, the media in China warned the North to stop detaining Chinese fishing boats. The influential *Global Times* said the incident had "fuelled outrage" among the Chinese public, with internet users venting "fury" toward North Korea, as traditionally close ties between the nations became increasingly tense. One editorial suspected that the North Korean army used the ambiguity of maritime borders to "make a quick buck" by detaining the Chinese crew. It stressed, "If North Korea continues to go rogue, China should take actions to push it toward a more measured response... If we don't set rules for North Korea, the whole image of our government may be seen as being too weak to deal with maritime issues."

On May 21, the Chinese fishing boat and fishermen were released without any "penalty" or "ransom" being paid. The Chinese side demanded the North launch an investigation into the case, and take actions to prevent similar incidents from happening. For many people in China, this was not satisfying. After all, the fishermen were detained for two weeks, and it was not the first time that this kind of "kidnapping" had happened. Punishment should be given to those who infringe on China's rights and interests, since compromise will only lead to similar violations.³

More broadly, for quite a few Chinese observers, China has not had a clear and wise idea about its relations with the DPRK since the end of the Cold War. China did not adjust its policies, and its policy inertia became disconnected from the realities of international and bilateral relations as well as from China's own development. The emergence of this situation was partially because Cold War legacies lingered and partially because DPRK policy drifted and there was a need for an ideological ally. As a result, China did not carry out appropriate analyses and planning for the bilateral relationship, which was in limbo and wavering between socialist allies and a normal state-to-state relationship. The adverse consequences include: China being towed along by North Korea, Beijing lacking influence over Pyongyang, and a selfish North Korea largely neglecting China's national interests. The Chinese fishing boat incident was only the latest example of these trends.

As the debate was going on, it was widely reported that China's four major state-owned banks ended their business with North Korean foreign trade banks. Presumably, this would add further difficulties to the North's nuclear-related activities and beyond. The decision by top Chinese banks to halt most dealings with North Korea was an

³ "Released fishermen back to sea after NK kidnapping," *Global Times* May 22, 2013.

unprecedented move to use financial leverage against Pyongyang, which reflected Beijing's exasperation with Kim Jong-un's regime. This goes beyond what Beijing had agreed to implement in UN resolutions, with several leading banks stopping all cross-border cash transfers, regardless of the nature of the business. A UN resolution this year only called for sanctions in cases where money might contribute to North Korea's nuclear and ballistic missile program.⁴ This response indicated Beijing's rising resentment toward the North's acts, despite being its main lifeline.

The Implications of Choe's China Visit

Consequently, North Korea found itself in a changing situation. After many years of trying to persuade and induce Pyongyang to take a new path, China had become disappointed and lost its patience. Increasingly frustrated by Pyongyang's third nuclear test, Beijing felt it no longer needed to defend Pyongyang at the UN Security Council, for example. On a number of occasions, China has softened sanctions measures or strong rhetoric at the UNSC to achieve more "balanced" resolutions – a kind of action that Beijing has increasingly found difficult to justify.

As a result, China became more serious about carrying out UN-imposed sanctions against the DPRK. This could have immediate and profound effects on an already tightly bound and poor DPRK, something Pyongyang could feel concretely. When China, Russia, and the US came closer by narrowing their differences and converged at the UNSC more than before, North Korea could feel the kind of pressure that could have grave consequences over time. This could even pose a threat to Kim Jong-un's ruling status – too high a price for Pyongyang.

Amidst the tensions, on May 22, 2013, Kim Jong-un sent Vice Marshal Choe Ryong-hae, his right-hand man who served as director of the People's Army's General Political Bureau, to China. Choe is a close confidant of Kim Jong-un's and is often seen at his side when he conducts on-site inspections. Choe is also a member of the Party's Politburo Presidium. His trip was North Korea's first serious dabbling in diplomacy after months of bellicose pronouncements, including threats to launch nuclear strikes at the United States and its allies. Choe came to China as Kim Jong-un's special envoy. For the DPRK, this was very rare and showed that that was an unusual mission.

Four people from the Chinese side held talks with Choe: Wang Jiarui, vice chairman of the Chinese People's Political Consultative Conference (CPPCC) and Director of the CCP's International Liaison Department; Liu Yunshan, member of the Politburo Standing Committee; Fan Changlong, vice chairman of the Central Military Commission; and eventually Xi Jinping, the top leader. While meeting with the Chinese leaders, Choe indicated that the purpose of his visit was to "improve, consolidate, and develop the DPRK-China relationship." The terms used implied a recognition that the relationship had become strained and efforts had to be made to amend and "improve" it. According to Choe, the DPRK wants to concentrate on economic development and improve people's living standards, and would like to build a peaceful external

⁴ "China banks rein in support for North Korea," *Financial Times* May 14, 2013.

environment. Pyongyang would like to take China's advice to restart dialogue with the relevant parties.⁵ Those signals were familiar to Chinese ears and were welcome gestures on the part of the North Koreans. While meeting with President Xi, Choe specifically expressed Pyongyang's willingness to solve the problems "through multiple forms of dialogue, including Six-Party Talks." Xi stressed China's three "insistences," namely, insistence on the objective of denuclearization, on maintaining peace and stability on the peninsula, and on seeking solutions through dialogue and consultation.⁶

The main purpose of Choe's visit was to mend the relationship with China and to escape further isolation. The North Koreans knew China was very unhappy and the consequences could be grave. The basic tone of Kim Jong-un's letter to President Xi was calling for clearing up "misunderstandings and differences" and not allowing the "enemies" to drive a wedge between the DPRK and China. Therefore, it was a major step that Pyongyang took to alleviate external pressures, especially from China, which was for a long time reluctant to use pressure. In addition, Choe suggested to Chinese leaders that the two sides jointly commemorate the 70th anniversary of the Korean War armistice and renovate the tombs of the dead Chinese soldiers, as if deliberately wanting to remind China of their historical connections. The timing of the visit was before the scheduled Xi-Obama and Xi-Park summits in early and late June, respectively, during which the Korean situation would inevitably be high priorities on the summit agendas. In this sense, the visit was also a preventive move.

However, while Choe gave Beijing a promise to "take China's advice" about coming back to talks, there was no mention of de-nuclearization. Six-Party Talks were specifically mentioned, but that did not necessarily mean a return to the substance of the talks. Given North Korea's decision to promote nuclear force and economic growth in parallel, it is hard to assume that Pyongyang would take measures to step back from nuclear development anytime soon. Nevertheless, with Choe's China visit, the situation on the Korean Peninsula is likely entering a period of contact and dialogue.

A peace and security regime and China-US-ROK cooperation

How likely is it that a peace and security regime will be created in Northeast Asia? This is an oft-asked question, as Pyongyang has repeatedly called for turning the armistice regime into a peace regime. Seeing the North Korean nuclear program as a threat, Washington faced difficulties and lacked the means to deal with Pyongyang alone and thus tried to work with other nations to form a united front in the region. Several years ago, the Bush administration drew a "lesson" from the failure of the 1994 Agreed Framework and wanted to avoid negotiating with Pyongyang bilaterally. The Obama administration has adopted "strategic patience" toward the DPRK instead. For Beijing, it is certainly desirable to see a Korean Peninsula not armed with nuclear weapons. So, on the objective of denuclearization, the national interests of the United States and China to a large extent overlap and converge. At the same time, they may diverge on other issues

⁵ *Renmin ribao (People's Daily)* May 24, 2013.

⁶ "Xi Jinping meeting with Kim Jong-un's special envoy Choe," *Renmin ribao (People's Daily)*, May 25, 2013, p. 1.

such as how to achieve the goal of denuclearization and how to bring about changes to the peninsula. Both sides may have suspicions about the other assuming too dominant a role in Northeast Asia and beyond. Therefore, the formation of any security architecture very much depends on a strategic acquiescence between the US and China and whether they can work together.

A distinction can be made that, among the four major powers in Northeast Asia: the US and China are the first echelon while Japan and Russia are at the secondary level in terms of their influence. While the US continues to be a key Pacific power and China plays an increasingly significant role in the region, US-China cooperation and synergy is essential if any Northeast Asian security architecture is to emerge. Should the Korean nuclear issue be resolved successfully through the Six-Party Talks process, a rough Northeast Asian security architecture will somehow take shape and be further employed to deal with other regional issues. Therefore, whether such a regime will arise to a great extent depends on whether the Six-Party Talks succeed or not.

Difficulties and hopes coexist, and time and patience are needed for the talks to make progress. There are several key questions. First, will the Six-Party Talks end up like the four-party talks of 1997-99, and how can that be avoided? Experience shows that when the DPRK is defiant, it is not likely that a multilateral process on the nuclear issue will succeed. How can the hurdle be overcome and move the process forward? Will a strategic decision have to be made by both Washington and Pyongyang? Second, it is in the interest of the US to solve the nuclear issue by diplomatic means, yet to what extent is Washington interested in institutionalizing the Six-Party Talks and turning it into a peace and security mechanism? What kind of security regime does the US desire for Northeast Asia and will such a regime complement or conflict with its interests in Asia and its alliances with Japan and South Korea, and how does Washington perceive its own role? Third, will a new security framework be able to help solve other regional problems such as regional economic cooperation and environmental issues?

Allow me to elaborate on some of these questions.

When exploring the concept of a peace and security regime, the issue of whether the regime should be binding or non-binding comes to the fore. At present, the six-party framework does not address responsibilities which the parties might bear, let alone an overarching authority to enforce those responsibilities. However, as a regional multilateral security assurance arrangement and cooperative measure, a real Northeast Asian peace and security mechanism must have binding force over its members to ensure its credibility and effectiveness. This is because for a regime to be useful, members must observe certain rules and norms. The binding force for constraining members' behavior comes from two elements. One is making commitments out of anticipation of future beneficial returns. The other is the possibility of being punished in case of a violation of the rules. A workable security regime in Northeast Asia implies that a host of new rules, norms, and institutions needs to be created.

Given the bilateral alliances in the region, a question inevitably arises: How will the future Northeast Asian security regime relate to existing bilateral alliances? Currently there are three of them: ROK-US, Japan-US, and DPRK-China. A Northeast Asian security regime probably would not replace existing alliances, and allowing the bilateral alliances to coexist with a multilateral regime seems a plausible option. Another question then arises: What is the relationship between the hub-and-spoke structure and a networked structure? Is there a tension? For some Chinese researchers, bilateral alliances must be constrained to some degree to limit their potential negative impact on regional peace and security. This potentially contradicts an arguably mainstream US view which holds that “whatever structures evolve out of the six-party process, the strength of the US position in Northeast Asia will continue to rest on the alliances with the ROK and Japan. The search for peace regimes and peace mechanisms should not put them at risk. The alliances are irreplaceable.”⁷ Thus, the tension between the hub-and-spoke structure and a more networked structure has to be addressed.

With respect to viable approaches to a peace and security regime, some Chinese researchers tend to advocate the following principles and approaches for the Northeast Asian peace and security regime building. First, within the regime, parties should nurture equal, friendly, and non-adversarial relationships. They seek common ground and mutual understanding while respecting differences. They do not form core groups against any particular country. Second, the countries should start from the “easier” issues and gradually expand to more “difficult” ones. For example, they can begin with the non-conventional security issues that are less sensitive to carry out in order to build consensus and increase common interests among them. When they have accumulated a certain degree of trust, they can expand to more traditional areas, including military issues. Third, the regime’s working mechanism should be consensus-based. Members try to reach consensus or agreement through consultations on important security-related issues, and then they implement what they have agreed upon.

A different view argues that the concerned parties should not stick to one pattern but must rather remain fully flexible regarding three approaches. First, they should be flexible on proceeding in either a multilateral or bilateral way. Whichever applies, it is adopted. When no appropriate form of multilateralism can be found, efforts can be made for a bilateral relationship to be improved and therefore the multilateral process is advanced. Second, they should remain flexible regarding priority areas. They can move forward in whatever realms possible, be it economic, societal, or security affairs. Third, they should be flexible in terms of putting priority on institutional arrangements or advancing cooperation in functional areas. Generally, the latter is easier than the former to be carried out and it is reasonable to start from functional cooperation. However, that is not always the case. For instance, the Shanghai Cooperation Organization from its inception has been an institution, although the member states have pursued collaboration in functional areas as well as respective reductions of armed forces in the border region. In short, all can move ahead in parallel and it is not necessary to prioritize the various tasks.

⁷ James J. Przystup, “Of Summitry, Peace Declarations, Peace Regimes and Security Mechanisms: What Are We Talking About? What Should We Be Thinking About?” *PacNet* 30, Sept. 15, 2007.

There is a scholarly question or puzzle as to how institutions and norms come into being and how this relates to major powers. I argue that cooperative major power relationships can be the key to the formation of a security mechanism. Without major power cooperation or coordination as such, it is unlikely that a security regime can grow and succeed. The failure of the four-way talks in 1997-99 was a revealing example. This is more so in highly political areas in which the formation of a regional security regime has to include core states or core bilateral relationships as an anchor. Thus, major power cooperation is a necessary prerequisite. In the case of Northeast Asia, if China and the US do not cooperate, there is little likelihood that a security regime will grow.

It appears that the Obama Administration and the Park government are giving China-US-ROK trilateral talks serious consideration but are facing two major difficulties. One, China is concerned with how Pyongyang would perceive the trilateral talks. For China, the priority is always to resume Six-Party Talks since it was China that initiated and helped invent it and that served as chair until the end of 2008 when the six nations last met. With Gen. Choe's recent visit to China and Pyongyang's promise, some hope is visible, despite the reluctance on the part of the US and ROK, who want to see, as a premise, real possibilities for progress on denuclearization. Another obstacle is concern from the US and ROK that Japan may feel left out. If Japan wants to discuss the abduction issue – its top preoccupation – it's also possible within the Six-Party framework, and by doing so, Japan can avoid skepticism or criticism from Washington and Seoul. The conclusion is that China-US-ROK trilateral talks may happen, but will probably happen on the track-two level.

One commentator argued that it would be delusional to expect Beijing to sit by while the ROK (with or without the US) moved to occupy and administer a “collapsed” Kim regime. If the ROK wants to secure full Chinese cooperation, Beijing has to be persuaded or reassured that a unified Korea dominated by the South would not harm China's national interests. Until then, China will continue to be cautious and hesitant, wanting the North Korean regime to survive. Because Beijing wanted to avoid annoying Pyongyang, it was and still is reluctant to discuss the sensitive issue of any “contingency” with the US and/or ROK.

Market forces and the prospects for the region

China's strategic goals in Northeast Asia, according to my personal understanding, are three-fold: to ensure and prolong the period of development for China; to maintain stability on its border for the sake of carrying out the domestic strategy of reviving its northeastern provinces; and to strive for a peaceful and denuclearized Korean Peninsula and for a neighbor on its eastern border that is friendly toward China.

Northeast Asia is a crucial part of China's “neighborhood diplomacy,” through which China is able to play a significant role and to demonstrate that it is a constructive and responsible stakeholder in Asia. Its own national interests dictate that China should be a stabilizing force in the region and will continue to adopt an incremental approach regarding the future of North Korea. In the past, China was forced to become involved in

wars on the peninsula and, because of that, paid a high price and sacrificed greatly. Thus, peace in the area is China's sincere wish. At the same time, Beijing has never given up efforts to persuade and induce Pyongyang to reform and open up to the outside world.

China also is committed to regional cooperation in Northeast Asia. This is required by its national interest, particularly the need to rejuvenate its northeast. China's three northeast provinces lag in comparison with the successful areas in the east and the south, such as Shanghai and Guangzhou regions. For China to succeed in spreading the benefits of economic development to its northeast provinces, it must first ensure peace and stability in that region.

Regional economic integration has been sluggish, which has much to do with North Korea, but it can gain momentum. Irresistible market forces are penetrating societies in the region – which cut across the borders of China, the DPRK – and Russia. The region is indeed a “natural economic territory,” a term coined by late the Robert Scalapino. It is now apparent that even a society as closed as the DPRK will not be able to resist this trend for long, as indicated by some of its societal changes in recent years. The political impediments that have resulted from the nuclear crisis have posed an obvious hindrance and have prevented foreign investment. The nuclear problem remains a huge political obstacle for regional economic integration.

In the early 1990s, the United Nations Development Program (UNDP) initiated the Tumen River Area Development Program (TRADP) and tried to unite Northeast Asian countries for a collective enterprise aiming at regional development. For several years the project was high on the agenda of the relevant governments, but it lost momentum and ran out of steam, largely because of inadequate implementation, insurmountable political difficulties, and the resultant scarcity of investment. Potential investors were intimidated by the tense political environment, poor infrastructure throughout the region, and insufficient governmental backing.

In September 2005, five Northeast Asian countries – China, the DPRK, Mongolia, Republic of Korea and Russia – jointly launched the Greater Tumen Initiative (GTI), aiming to revitalize and promote TRADP. They agreed to take over full ownership of the initiative and adopted a 10-year Strategic Action Plan 2006-2015, focusing GTI activities in four key sectors: transportation, energy, tourism, and investment. If the political situation is stable, the regional collective drive for development will have more favorable conditions in which to prosper. At present, trade among Northeast Asian countries, the “easier” part of the plan, has been growing quite rapidly, although investment is still lacking and more difficult to obtain given the fluid and complex circumstances. Obviously, investment is the key to a better combination of the large pool of talented and cheaper labor of China and North Korea, the capital of South Korea and Japan, with the enormous natural resources of Russia and Mongolia. Exactly in that context, the Chinese leadership initiated the “reviving the Northeast” drive and it achieved some progress. Presumably, the drive could become a catalyst for regional economic integration, and the GTI and the drive were expected to reinforce each other. Various proposals have been on the table, including, but not restricted to, oil and natural gas pipeline construction,

railway connection, tourism, and so on, progress has been are slow and limited. Nevertheless, time is on the side of the forces that represent the future.

About the Author

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