



## **Triangular Relations: A Time of Opportunity**

by Morton Abramowitz

I believe regional and global economic integration and increasing openness, mobility, and democratization are most shaping East Asian developments – not nationalisms or Sino-Japanese tensions, or the uncertainties of China's rise, or growing conventional armaments, however important. We are at the brink of a positive decade in great power relations in East Asia if domestic politics do not foul it up – a big if.

Neither China, Japan, nor the United States is in an expansive mood:

- China's rapid growth has brought it clout and a new world role. China has made another leadership transition, but its leaders remain preoccupied with internal growth, mitigating the massive distortions of growth, making the Olympics successful, and preventing regime change. That inward focus has been a stabilizing influence in the region and kept in check fears of Chinese imperialism. China also recognizes its dependence on outside inputs to sustain this growth. Its military modernization arouses American angst and some regional hedging. China's international engagement – no longer solely on an Asian platform – is growing but difficult, because China remains opaque and out of step with the political morality of leading countries. China has a way to go in exercising international leadership.
- A new U.S. president will inherit two wars, possibly but now less likely a third, with its drain on resources and high-level attention. Repositioning is needed, but internal polarization and declining government capabilities will make that raggedy. Restoring U.S. attention, particularly to Southeast Asia and not just terrorism, could be difficult. Both Republican and Democrat presidential candidates and their foreign policy gurus still are living in the 20<sup>th</sup> century, enamored of America's God-given right to global leadership. Not recognizing the depth of change, many obsess on China's rise – focusing on the PLA's increased military spending but oblivious to that of the U.S. and America's impact on everybody else.

When Republican candidates stop focusing on killing every terrorist and stopping immigrants and Democrats obsessing on how many brigades to withdraw from Iraq, I fear China may become the big foreign policy issue of both left and right. Present U.S. financial difficulties remind one of Asia in 1997 and adds a new complexity to America's global influence. Nevertheless the U.S. global role is still far greater than either Japan's or China's and they have to factor that in their thinking.

- Japan is also in an uncertain political transition. The resilient Liberal Democratic Party (LDP) is again in trouble and divided since Koizumi Junichiro stuck a dagger in with his

deregulatory agenda. Japan remains a major world economic player, but its trumpet is muted and its economy still lacks dynamism. Japan has slowly gotten rid of some of its defense limitations but not those of most concern to Asia, like its 1 percent budget limitation and nonnuclear principles.

- Japan is yet to define a comfortable global role for itself. It fears China's competition even as both economies become more entwined. However both remember the past, they have only one major concrete dispute – offshore territorial claims. As for the U.S., like Japan it values highly the alliance. It wants greater Japanese influence in Southeast Asia; that lack was apparent when most East Asian nations, prodded by China, deeply insulted Japan by not supporting its efforts to win a permanent Security Council seat.

In the past few years we have witnessed improvements in relations among the three powers, always accompanied by some perturbations like, most recently, U.S. naval visits to Hong Kong. Whatever the domestic politics of trade, the U.S. and China have cooperated on some key issues and a decent dialogue is underway. U.S.-Japan ties intensified under Koizumi but have some current hiccups from the LDP's diminishing clout and a more detached Prime Minister Fukuda Yasuo. Most important Sino-Japanese tensions have decreased, trade grows rapidly, and high-level visits have resumed. The two nations lack a serious sustained dialogue but one may be beginning. Sino-Japanese relations will be a drama with many acts, hopefully with more romance.

The new element in the security picture and for cooperative trilateral relations is the Six-Party Talks on the North Korean nuclear issue. While China provided leadership and South Korea much aid, what changed things was Bush's about-face in resurrecting Clinton's policy of engagement and bribery – less pejoratively of mutual benefits. But the rubber has not hit the road and awaits North Korea's declaration and later verification of its fissile materials, facilities, and weapons. The verdict on these talks is not in, except in Seoul.

## **America in the Region**

Washington has mostly viewed East Asia through a strategic/military lens. That continues. The U.S. remains a central part of Northeast Asia security, and most Asian countries welcome its presence as a balancing factor. America's continuing security preoccupation may be prudent, but it obscures from a policy standpoint the rapid economic integration of East Asia, the rise of more independent powers with growing internal confidence, and a sense of an East Asian ethos.

U.S. perceptions must start with the recognition that as central as the U.S. remains to the region, its influence has declined – not simply because of the Bush administration but

from the positive consequences of Asian economic growth – that Asian countries are economic competitors but also home to U.S. multinationals, that relations are becoming more balanced. Increasing mutual dependence requires the US to finally recognize it is not the only country with domestic politics. This diffusion of power also requires the U.S. to focus on its competitive prowess and to deal in a give and take way with profound issues like energy and Asian economic integration.

Even America's two major security concerns in East Asia on which its military structure is based are changing for the better. To be sure, the Taiwan and North Korean issues are not resolved and one could take a pessimistic approach to them; they certainly need continuing careful handling. But they are no longer flashpoints, and their trajectory toward more certainty permits attention to other issues.

In the final days of Chen Shui-Bian's presidency, we may be witnessing the last big stirrings of Taiwan assertionism, although next year's Taiwan election will be decisive. His efforts for a plebiscite on Taiwan's joining the UN under another name is causing much heartburn in Washington and Beijing. No matter the domestic political rumblings, strategic clarity dominates U.S. policy toward Taiwan – keep it quiet until Beijing and Taipei sort things out themselves. Despite the increasing military buildups – Taiwan is the PLA's major focus – the threat of a unilateral declaration of independence is diminishing, as is the threat of war. Cool heads on both sides of the Strait recognize the depth of the economic underpinnings and the necessity to manage the conflict through negotiations and normal economic workings. The potential destabilizing element is domestic politics, in Taiwan, increasingly less likely in America, and in China as leaderships change.

One has to be cautious on predictions about North Korea. Besides its terrible opaqueness, it faces an uncertain leadership transition. But it finally seems to recognize that the country must change to survive. Economically; it is becoming addicted to South Korean largesse, Chinese trade and investment, and somewhat more contact with the world. Whether sunshine and cash ultimately pay off, the atmosphere on the peninsula has changed. The immediate uncertainty is North Korea's denuclearization; if that ends badly, the climate will again change, particularly in Japan, but will not likely produce hostilities.

### **What is to be Done**

We will likely continue to see big power focus on bilateral relations, alliances, and defense hedging. That is prudent, if costly. I believe the security focus should increasingly be on reducing Sino-U.S and particularly Sino-Japanese tensions and seeking increased cooperation. Continued globalization – of trade, finance, and culture – will help but it also produces its discontents – economic nationalism. Thus leadership, as the Bush administration has provided against congressional protectionism, will be key.

There are additional steps that might contribute to better trilateral relations:

First, the U. S. and Japan, its principal proponent, should not pursue an "alliance of values" with Australia and India. This is an anti-Chinese move, and I don't see that its amorphousness adds to security or does much to deter China. Democracies cooperating to foster democracy indeed, an alliance of democracies to solve geopolitical problems no. On the other side, Japan deserves to be a permanent member of the Security Council and China should end its opposition. Such a Chinese move could change the climate in East Asia and the world. Don't hold your breath. Finding a mechanism to elevate Japan in the UN system is a tough problem.

Second, whatever the clamor for a new security structure in East Asia, distrust among the major players makes that difficult. But that is also the reason for having consultative forums and there needs to be a trilateral one – formal or informal. NGOs have loved this idea but not governments, not with China because of the U.S.-Japan alliance, the possible complaints from other countries, and skepticism from all as to its worth. But relations have now sufficiently developed that such a forum could for example start as an offshoot of the G8 meeting (hopefully China will soon be a regular member). Most important there is plenty to talk about besides North Korea. The three have a global agenda: energy cooperation, the worldwide movement to nuclear power and its accompanying threat of proliferation, and climate change and pollution immediately come to mind.

Lastly, there is the prospect of deeper and formal East Asia economic and political integration. The effort has lagged from its difficult nature, regional suspicion of China, and Sino-Japanese rivalry on how to organize the region. Unless China and Japan – like Germany and France in Europe – find an accommodation, the project will stumble along. The U.S. has largely been absent from this debate. It remains addicted to APEC, which seems to a vehicle for diluting East Asian cooperation, although it does not have to be. I believe that the movement toward an East Asian economic community not a Pacific one – however difficult the divisions in East Asia on its membership – offers an excellent security structure for East Asia. It will be long in coming and does not preclude the America's continuing security role and deep economic involvement.

The last half of the 20<sup>th</sup> century was dominated by dualities like the Cold War. The 21<sup>st</sup> is shaping up as a century of multiple power-centers, of fluidity in international relations, which calls for multilateral policy approaches. China, Japan, U.S. – throw India and Russia into the mix, and Asia becomes ground-zero for great power relations in coming decades. Let's hope consultation and integration wins the day.

*Morton Abramowitz ([Abramowitz@tcf.org](mailto:Abramowitz@tcf.org)) is a senior fellow at The Century Foundation. This speech was originally delivered at the Sixth General Conference of the Council for Security Cooperation in the Asia Pacific (CSCAP) in Jakarta Dec. 7, 2007.*