

The September 2011 issue of *Comparative Connections* is available at <http://csis.org/program/comparative-connections>.

Comparative Connections is a triannual summary of regional events and their impact on bilateral relations.

Regional Overview: Rays of Hope?

by Ralph A. Cossa and Brad Glosserman

Dim rays of light pierced what has been the darkness of the Six-Party Talks since their suspension in December 2008, even though prospects for Korean denuclearization remain low. US-China relations continued to mend at the Shangri-La Dialogue and the ARF despite continued disagreements over the South China Sea; Vice President Biden's trip to China added to the light. Hopes have also been raised for an end to political turmoil in Japan and Thailand with the election of new prime ministers. Aung San Suu Kyi's release from house arrest provides a slight ray of hope for moving Myanmar toward democracy. Meanwhile, the self-inflicted debt crisis in the US has further dimmed hopes for US leadership in Asia and globally. Looking forward, there are flickering hopes that this year's APEC Leaders Meeting in Honolulu will shine a new spotlight on this increasingly overshadowed institution. Finally, the death of Osama bin Laden has raised the hope that this signals the beginning of the end for al Qaeda.

US-Japan Relations: Kicking the Kan down the Road

by Michael J. Green and Nicholas Szechenyi

Kan Naoto resigned as prime minister on Aug. 26 after promising to step aside almost three months earlier amid dissension within his ruling Democratic Party of Japan and dwindling public support after a clumsy response to the tragedies of March 11. He was succeeded by Finance Minister Noda Yoshihiko, who prevailed in the DPJ presidential race despite little support in the polls, but strong backing within the party. The US and Japan convened the first Security Consultative Committee in four years to outline common strategic objectives and strengthen alliance cooperation in a regional and global setting. The two governments also consulted on the margins of international events to discuss cooperation on various issues. Vice President Biden visited Japan to reiterate US support for the recovery effort and met victims of the disaster in Tohoku. Opinion polls in Japan and the US revealed solid support for the US-Japan alliance.

US-China Relations: Friction and Cooperation Co-exist Uneasily

by Bonnie Glaser and Brittany Billingsley

In pursuit of agreements reached between Presidents Hu and Obama in January, the US and China worked to strengthen their relationship, while managing friction on a number of issues. Renewed tensions in the South China Sea put maritime security at the top of the agenda in many bilateral and multilateral interactions, including the inaugural US-China Consultations on Asia-Pacific Affairs, at the ARF in

Bali, and in a meeting between Secretary Clinton and State Councilor Dai Bingguo in Shenzhen. In early May, the third annual Strategic and Economic Dialogue (S&ED) convened in Washington. Despite protests from China, President Obama met the Dalai Lama. In May and July, Chief of the General Staff Gen. Chen Bingde and Chairman of the Joint Chiefs of Staff Adm. Mike Mullen exchanged visits. In August, Joe Biden made his first visit to China as vice president.

US-Korea Relations: A Return to Dialogue

by Victor Cha and Ellen Kim

The summer months saw a potentially new cycle of US-DPRK dialogue. Secretary of State Clinton's invitation to DPRK Vice-Minister Kim Kye Gwan to visit New York for official talks raised the specter that the North may be ready for re-engagement. Meanwhile, South Korea named a new unification minister, which some perceive to be the harbinger of a shift in its North Korea policy. But reliable sources say that President Lee Myung-bak will not cave so easily on his principles. Elsewhere, the Korea-US free trade agreement remains caught in partisan strife within the legislatures of both countries and the US received another lesson in Korea's preferred terminology for Asian geography.

US-Southeast Asia Relations: Deep in South China Sea Diplomacy

by Sheldon Simon

South China Sea diplomacy dominated US actions at regional meetings as it endorsed an independent ASEAN role in the South China Sea disputes. The US also supported the Philippines' gradual buildup of its security capability by funding projects for the ill-equipped and underfunded Philippine armed forces. Manila sought a specific defense commitment from the US in the event of a military conflict over South China Sea islands. The Cambodia-Thai border dispute continues as ASEAN mediation efforts have established a timetable for military disengagement. In Indonesia, radical Abu Bakar Bashir was sentenced to 15 years in jail for aiding the formation of a new terrorist affiliate in Aceh. Although the US has appointed a new envoy to coordinate international approaches to Burma, it has also increased economic sanctions, suggesting little has changed.

China-Southeast Asia Relations: Managing Rising Tensions in the South China Sea

by Robert Sutter and Chin-Hao Huang

The middle of the year was marked by rising tensions and widely publicized disputes centered on differing claims in the South China Sea. Senior Chinese officials portrayed China as reactive and defensive in the face of increasing encroachment while Philippine and Vietnamese leaders were unusually outspoken in disputing Chinese actions and claims. A more unified effort by ASEAN seemed to encourage China to moderate its actions as ASEAN and China reached a largely

symbolic agreement establishing guidelines for implementing the 2002 Declaration on Conduct of Parties in the South China Sea. Vietnamese and Philippine leaders, while condemning Chinese policies and practices, stayed in close contact with Chinese officials and engaged in positive interchanges.

China-Taiwan Relations: Progress Slow as Taiwan Campaign Begins by David G. Brown

There has been some progress in implementing the Economic Cooperation Framework Agreement (ECFA) and other existing pacts, but differences continue to prevent finalization of the long-pending investment protection agreement. Beijing has criticized opposition candidate Tsai Ing-wen's cross-strait policy platform, saying it would lead to a breakdown in dialogue and cooperation. Sea trials of Beijing's first aircraft carrier were symbolic of PLA capabilities that increasingly threaten Taiwan. Reports indicate that Taipei and Washington have agreed to upgrade Taiwan's existing *F-16A/B* fighters with congressional notification expected in September.

North Korea-South Korea Relations: A Turning Point? by Aidan Foster-Carter

There were signs that a shift in strategy or tactics toward the North may be underway in South Korea as President Lee Myung-bak heads into the final third of his term in office. The most significant move, replacing Minister of Unification Hyun In-taek, did not occur until the end of August, but there were several prior indications of the shift. Attempts at dialogue included the apparently clumsy attempt at inter-Korean dialogue in Beijing in May, which led to accusations of bribery from the DPRK delegation, and actual, albeit brief, discussions on the sidelines of the ARF in Bali. The announcement following Kim Jong Il's visit to Russia that the North was prepared to begin discussions on a trans-Korean gas pipeline from Russia fed the newfound optimism. However, the memories of past provocations and the failure of the Mt. Kumgang project will temper any progress.

China-Korea Relations: A Fragile China-ROK Strategic Partnership by Scott Snyder and See-won Byun

High-level exchanges between China and South Korea's foreign and defense ministries appeared to recover momentum as the two countries marked their 19th anniversary of diplomatic relations. But efforts to consolidate the China-ROK strategic partnership have exposed policy differences over North Korea and the ROK alliance relationship with the US. Kim Jong Il visited China twice over the past four months as China and North Korea commemorated the 50th anniversary of the Treaty of Friendship, Cooperation and Mutual Assistance in July. China and the DPRK also agreed to strengthen military cooperation while China's new joint economic projects in the North have raised debate on the prospects for North Korean reform.

Japan-China Relations: Muddling Through by James J. Przystup

Private-sector contacts kept the bilateral relationship afloat while high-level official contact began to resume. Defense ministers met in June in Singapore and foreign ministers met in July in Beijing. In both cases, they agreed on

the importance of advancing the strategic and mutually beneficial relationship. In August, Japan's Ministry of Defense released its *2011 Defense White Paper*, which expressed concerns over China's military modernization, its increasing activities in waters off Japan, and its "overbearing" conduct in the South China Sea. Eight days later, the Chinese aircraft carrier *Varyag* left port for initial sea trials. Meanwhile, activities in the Senkaku/Diaoyutai Islands area continued to generate political friction in both Tokyo and Beijing.

Japan-Korea Relations: Reality or Symbolism in the Relationship by David Kang and Jiun Bang

As has been the case for many years, relations between South Korea and Japan during the past four months were relatively stable, with increasingly deep economic relations, voluminous cultural flows, and general agreement on a strategy of isolation toward North Korea. Unfortunately, relations were portrayed by the media in both countries as hostile due to disputes over Dokdo/Takeshima. Coverage of the political sparring occurred at the expense of shedding light on other issues. Although there is no clear answer as to whether the disputes are real or symbolic, other events are more meaningful in moving the relationship forward. These included increased political interaction among legislators and increased economic interdependence. Meanwhile, relations between Japan and North Korea remained in a holding pattern.

China-Russia Relations: Politics of Two Anniversaries by Yu Bin

The summer of 2011 marked two anniversaries for China and Russia. In June, the Shanghai Cooperation Organization celebrated its 10th anniversary at the annual SCO Summit in Astana, Kazakhstan. Over the past 10 years, the regional security group has grown, fed by its "twin engines" of Russia and China. Immediately following the SCO Summit, President Hu Jintao traveled to Moscow, marking the 10th anniversary of the signing of the Friendship Treaty between Russia and China. There was much to celebrate as Moscow, Beijing, and the SCO have achieved stability, security, and sustained economic development in a world riddled with revolutions, chaos, and crises. The two anniversaries were also a time to pause and think about next steps. While the SCO is having growing pains, China and Russia have elevated their "strategic partnership relations" to a "comprehensive strategic cooperation and partnership."

Australia-East Asia/US Relations: Australia-US Alliance Enhanced as Economies Decouple by Graeme Dobell

Australia has a close alliance with the US and deep emotional and cultural ties, but the new reality is that the two economies have decoupled. Asia now sets Australia's economic temperature, even as its military draws closer to the US through parallel reviews of the posture of their defense forces. All these elements could be detected when Australia's Prime Minister Julia Gillard addressed the US Congress in March and finished her speech with praise for America. The alliance, though, is also being reframed for Australia by the changes in Asia. These two themes define much of this review of Australia-East Asia/US relations: the continuing vigor of the alliance and the unfolding realization of what the "Asian Century" will mean for Australia.