



PACIFIC FORUM

## Pacific Forum Update

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Issues & Insights is Pacific Forum's publication series that includes special reports (SR), conference reports (CR), and working papers (WP). These in-depth analyses cover a range of topics and are published on an occasional basis. The following have been published in 2021 and are available online here.

Issues & Insights Vol. 21, WP 1 - The Climate of Civil Disobedience: Liberal Studies as a Political Instrument under Hong Kong's Secondary Education Curriculum by Jason Hung

In the most recent decade Hong Kong has undergone mass socio-political unrest. The outbreak, and amplification, of citywide civil disobedience has been magnified by the launch and delivery of Liberal Studies as a compulsory subject under the local senior secondary education curriculum. This has raised the political consciousness and awareness of Hong Kong youth. This paper first presents an overview of the antinational education curriculum campaigns, the Umbrella Movement and the consequent socio-political unrest. It will then explore the political controversies over the delivery of Liberal Studies. Next, it will analyze how Liberal Studies has been subject to curricular reforms, and discuss whether such amendments have been the result of politicization by the pro-Beijing camp to counter the proliferation of anti-government and anti-China sentiments among Hong Kong youth. Lastly, this research will assess whether the aims to offer Liberal Studies as part of the secondary education curriculum have been fulfilled, and discuss how to close the gaps between the expected and actual learning outputs.

Issues & Insights Vol. 21, WP 2 – The United States'
Indo-Pacific Strategy and a Revisionist China:
Partnering with Small and Middle Powers in the
Pacific Islands Region by Patrick Dupont

The advent of the Biden administration brings with it an opportunity for the United States to take a fresh look at the Pacific Islands Region (PIR) in the face of new geopolitical realities. Since the end of the Cold War, the PIR has largely been viewed by the United States as a tranquil backwater with little need for attention. Traditionally, the attention Washington did give to the region was exclusively focused on Micronesia—a region which contains both the Freely Associated States (FAS) and US territories such as Guam. The remainder of the PIR, the sub–regions of Melanesia and Polynesia, were often left to close US partners such as Australia and New Zealand. Washington's strategic neglect of the PIR—coupled with a clear prioritisation of the FAS over other regional states—has overlapped with a gradual encroachment by non–traditional partners in an area where the

United States has traditionally been the principal external power. These non-traditional partners range from US friends and allies such as Taiwan, South Korea, and Japan to strategic competitors such as Russia and China. Of these non-traditional partners, China has distinguished itself as the most significant in the PIR.

<u>Issues & Insights Vol. 21, WP 3 - A New Era of US</u> <u>Policy Toward the Korean Peninsula</u> by Joshua Nezam

This paper offers concrete policy recommendations and institutional tools for the incoming Biden administration and Congress to revise policy toward the Korean Peninsula. Deterring North Korea will remain a focus of the alliance, but prioritizing denuclearization must no longer monopolize the alliance's political capital nor paralyze its global potential. The US and South Korea must clarify how shared values translate into policy convergence in security, economy, and technology domains to rediscover relevance in an era of multidimensional structural competition with China. Even without a comprehensive nuclear agreement with North Korea, the near-term priority must be to revitalize the regional security architecture to uphold extended deterrence to South Korea and Japan while institutionalizing a process of managing tensions and capping North Korea's most destabilizing capabilities. Lastly, Congress must deliberate a viable path toward risk reduction and peace with Pyongyang while advocating for transformational change through advocacy for human rights and freedom of information.

Issues & Insights Vol. 21, WP 4 – What the Biden-Harris Administration means for WPS in the Indo-Pacific Region by Maryruth Belsey Priebe and Jennifer Howe

The election of Kamala Harris as the first woman of color to serve as vice president of the United States is a beacon of hope for women everywhere. We explore how her ground- breaking election, alongside the new administration's visible support for gender equality, could advance women's rights globally. More specifically, we consider the implications of a Biden-Harris White House for the implementation of the Women, Peace and Security (WPS) agenda in the Indo-Pacific. A cornerstone of the WPS agenda is United Nations Security Council Resolution 1325 (UNSCR 1325). Passed in 2000, UNSCR 1325 recognizes the gendered impacts of conflict and the importance of women's inclusion in peace processes for longterm peace and stability. The WPS agenda consists of four overlapping pillars: Participation, Prevention, Protection, and Relief and Recovery. Addressing all four of these pillars is integral to ensuring full respect for human rights and cultivating sustainable peace. In this paper, we assess each

pillar of the WPS Agenda from three angles—first, actions taken by Biden and Harris that indicate how they will engage with the WPS Agenda; second, progress and challenges to the implementation of the four WPS pillars in the Indo-Pacific; and, third, how the new administration could work with countries in the Indo-Pacific and other key stakeholders to overcome current challenges to the realization of core WPS objectives in the region.

<u>Issues & Insights Vol. 21, WP 5 - No One is</u>
<u>Satisfied: Two Theories of the US-China Global</u>
<u>Rivalry and the International Order</u> by Younn Shwe
Sin Htay

A remarkable shift is underway in the geostrategic relations between the United States, long a dominant global power, and China, a relentless economic engine with a rapidly growing military. Their competition promises to change the face of global politics in the 21st century. This paper examines that conflict from the perspectives of two discrete political theories: power transition theory and hegemonic stability theory, which come to different conclusions when applied to China and the United States separately. However, taken together with both nations in mind, they arrive at six possible futures, including regional warfare and a wholesale overhaul of the existing international order.

<u>Issues & Insights Vol. 21, WP 6 – The Opportunity is</u>
<u>There: South Koreans' Views of China and the</u>
<u>Future of the US-ROK Alliance by John Lee</u>

Officially, relations between the Republic of Korea and the People's Republic of China remain cordial. Because of China's economic heft and South Korea's reliance on unmolested trade with the former for its continued economic development, South Korea takes great pains to be as neutral as possible between the United States and China despite its formal alliance with the US. As such, many pejoratively refer to South Korea as "the weak link" in America's Northeast Asia alliance system. However, on a civil society level, an overwhelming majority of the South Korean public has a negative view of China—a view that has steadily gotten worse over time. Being a democracy that reflects voters' popular will, growing anti-Chinese sentiment among voters means South Korea's current policy of placating China will not be sustainable indefinitely. Meanwhile, the Trump administration largely neglected the alliance between South Korea and the United States. That neglect notwithstanding, an overwhelming majority of South Koreans either strongly or somewhat support the alliance with the United States. Conditions are perfect for the Biden administration to seek to repair and strengthen relations with South Korea to empower the alliance serve as a credible bulwark against Chinese expansionism—this paper offers solutions on how to do so.

<u>Issues & Insights Vol. 21, SR 1 – 21st Century Technologies, Geopolitics, and the US-Japan Alliance: Recognizing Game-changing Potential</u> Edited by Brad Glosserman, Crystal Pryor, and Riho Aizawa

Throughout the month of October 2020, with support from the US Embassy Tokyo, the Pacific Forum cohosted with the Center for Rule-Making Strategies at Tama University, the Keio University Global Research Institute, and the Okinawa Institute of Science and Technology a series of virtual panel discussions on "Game Changing Technologies and the US-Japan Alliance." Over 280 individuals joined the 10 sessions – 7 closed door and 3 public panels – that examined issues such as artificial intelligence, autonomous vehicles, big data, cybersecurity, drones, quantum computing, robots, and 3-D printing. A conversation of this length and breadth is difficult to summarize, but the following key findings attempt to capture this rich and variegated discussion.

<u>Issues & Insights Vol. 21, WP 7 — Women, Peace and Security: A Competitive Edge for Australia and the US in the Indo-Pacific</u> by Joan Johnson-Freese and Jacqui True

Australia and the United States face great power competition with China due to a narrowing of gaps between them economically and militarily—in the Indo-Pacific region. This narrowing of gaps should not be a surprise to anyone who did not expect China to be content with static growth and technological inferiority. Great power competition is actually about a rise in parity among competitors. The "edge" previously held by Australia and the United States over China has become smaller; therefore "wins" will be by very thin margins. This means Australia and the United States need to find new advantages to widen their thin margins of excellence and maintain security. This paper will discuss why the Women, Peace and Security (WPS) agenda offers an edge, and how implementing respective national action plans for WPS and partnering widely and strongly with other Indo-Pacific countries on WPS can offer such new advantages.

<u>Issues & Insights Vol. 21, WP 8 — The ASEAN</u>
<u>Regional Forum: Challenges and Prospects</u> by
Mohamed Jawhar Hassan

The ASEAN Regional Forum (ARF) is a special organization with a unique group of participants and an uncommon mission that it is still, after 28 years, striving to accomplish amid a changing geopolitical environment. To reach its full potential, it must expand its horizons and address both sides of the security coin, namely conflict management and inclusive security cooperation, rather than continuing to confine itself to its traditional confidence building/conflict resolution mandate.

<u>Issues & Insights Vol. 21, WP 9 — Framing Violence: US and Chinese State-Funded News Outlets during the Hong Kong Protests</u> by Hanmin Kim

State-funded news media outlets and the ways in which they convey the messages of government and government-affiliated officials represent an essential but under-emphasized area of study in the realm of international diplomacy. Through a case study of the Hong Kong protests of 2019, this paper draws on theories from journalism and public diplomacy to analyze

articles by state-funded media covering the unrest. This paper argues that the state-funded news outlets of the US and China used the same frame—violence and conflict—but approached the Hong Kong protests differently. Using this frame, state media outlets made themselves channels for government officials during the US-China rivalry, but made different arguments regarding the violence that occurred there. While US government-funded media focused on the violence of the Hong Kong Police Force as a danger to the territory's democracy, Chinese state media emphasized the violence of the Hong Kong protestors as a danger to national security.

<u>Issues & Insights Vol. 21, WP 10 — South Korea's Demographic Advantage is Over: The Regional Context and the Economic and Security Implications</u> by Tom Byrne and Jonathan Corrado

South Korea has the lowest birth rate in the world, its population—especially its working-age population—has declined, and the pronatalist polices of the past 20 years have not been successful at reversing this trend. Over time, this threatens the country's economic and fiscal position, as well as its military position as the number of conscripts declines. While more advanced technology can help, over the long term it is no substitute for people, especially in the security realm. Overcoming this will require Korea to either shift to a new economic paradigm or else achieve a second Miracle on the Han River—this time demographic rather than economic.

<u>Issues & Insights Vol. 21, WP 11 — How Chinese COVID-19 Vaccines Will Impact China-Indonesia Vaccine Diplomacy</u> by Jason Hung

This research will discuss how Indonesia's final-stage Sinovac clinical trial results will play a leading role in determining China's diplomatic power amid the COVID-19 pandemic. The paper analyzes how vaccine diplomacy will impact China-Indonesia relations: if Sinovac proves inefficacious, Jakarta is unlikely to cut ties with Beijing but may consolidate relations with Washington. However, as the United States faces its own COVID-19 struggles, this paper examines how Beijing can continue to use vaccine diplomacy as leverage to strengthen and expand its influence in South China Sea (SCS) disputes with minimal interference from Washington. Additionally, the paper will evaluate how the reliability of China's Sinovac vaccine—especially after Beijing's supply of health care products to Europe were found to be of unsatisfactory quality—will affect the outcomes of vaccine diplomacy, determining whether Beijing can restore its reputation globally in order to facilitate bilateral or multilateral cooperation. Finally, the paper will assess how the outcome of China-Indonesia vaccine diplomacy will help determine China's opportunities to compete with major Western powers in the global vaccine market in the long-term.

<u>Issues & Insights Vol. 21, WP 12 — Strengthening Regional Energy Governance in the Mekong Subregion</u> by Chen-sheng Hong

This paper explores the energy trilemma problems in the Mekong subregion and explains the necessity for regional energy governance. The current governmental cooperative mechanisms are an ineffective approach to regional energy governance in the Mekong subregion and should thus be strengthened.

Countries of the Mekong subregion are facing the following energy trilemma: energy security, energy poverty, and environmental sustainability problems. This paper argues that regional energy governance is needed in the Mekong subregion because the energy trilemma has transboundary externalities on the Mekong ecosystem and requires regional cooperation to be managed effectively. Effective regional energy governance is based on three components: coordination,general norms, and consideration of the regional context. The existing mechanisms for governance in the subregion are lacking these elements.

<u>Issues & Insights Vol. 21, SR 2 — Advancing a</u> <u>Rules-based Maritime Order in the Indo-Pacific</u> Edited by Jeffrey Ordaniel and John Bradford

Authors of this volume participated in the Indo-Pacific Maritime Security Expert Working Group's 2021 workshop that took place, virtually on March 23-24. The working group, composed of esteemed international security scholars and maritime experts from Japan, the United States, and other Indo-Pacific states, was formed to promote effective U.S.-Japan cooperation on maritime security issues in the region through rigorous research on various legal interpretations, national policies, and cooperative frameworks to understand what is driving regional maritime tensions and what can be done to reduce those tensions. The workshop's goal is to help generate sound, pragmatic and actionable policy solutions for the United States, Japan, and the wider region, and to ensure that the rule of law and the spirit of cooperation prevail in maritime Indo-Pacific.

<u>Issues & Insights Vol. 21, CR1 — The United States and Viet Nam: Charting the Next 25 Years in Bilateral Security Relations by Jeffrey Ordaniel</u>

Pacific Forum, with support from the Defense Threat Reduction Agency (DTRA) and in collaboration with the Diplomatic Academy of Viet Nam (DAV), organized the inaugural Track 2 U.S.-Viet Nam Security Dialogue on May 18-20, 2021. Strategic thinkers from the United States and Viet Nam, including scholars, policy experts, and retired military and government officials, participated in the dialogue. This report contains the general summary of the discussions.

<u>Issues & Insights Vol. 21, CR 2 — The United States and Indonesia: Re-converging Security Interests in the Indo-Pacific by Jeffrey Ordaniel</u>

Pacific Forum, with support from the Defense Threat Reduction Agency (DTRA) and in collaboration with the Centre for Strategic and International Studies Indonesia (CSIS), organized the inaugural Track 2 U.S.-Indonesia Security Dialogue on June 1-3, 2021. Thought leaders from the United States and Indonesia, including scholars, policy experts, and retired military and government officials, participated in the dialogue. This report contains the general summary of the discussions.

## <u>Issues & Insights Vol. 21, WP13 — European</u> <u>Contributions to Indo-Pacific Maritime Order</u> by David Scott

This paper looks at European contributions to the Indo-Pacific maritime order. The policy significance is two-fold. Firstly, the Indo-Pacific has become an increasingly crucial geographic region, with a constellation of leading powers. The United States and Japan face a rising China, with India a vital swing state. European powers are now faced with choices of policy in response to power competition in the Indo-Pacific. This also reflects the rising geo-economic importance of the region, home to the world's most populous countries, India and China, and critical commercial sea lanes. Secondly, European actors-France, Germany, the Netherlands, the United Kingdom, and the European Union (EU) -have all announced various specific Indo-Pacific strategies to support their interests. Nevertheless, despite European interests and contributions to Indo-Pacific security, the European response to China-related maritime challenges, such as those in the South China Sea, has been too limited. European states are finding it difficult to balance national security interests tied to maritime stability and rules-based order in the region, with economic interests tied to China, the world's second-largest economy. Europe needs a principled approach and a long-term view of its overall interests in the South China Sea and the wider maritime Indo-Pacific.

## <u>Issues & Insights Vol. 21 SR 3 — Foes to Partners:</u> <u>25 Years of U.S.-Vietnam Relations</u> Edited by Jeffrey Ordaniel and Ariel Stenek

It has been 25 years since the establishment of diplomatic relations between the Socialist Republic of Vietnam and the United States. Throughout those 25 years, the relationship has achieved significant breakthroughs. The two Cold War adversaries are now close security and economic partners. In this volume, seven next-generation scholars and policy analysts from the United States and Vietnam examined the 25 years of U.S.-Vietnam bilateral relations from various perspectives. They provided fresh insights and offered policy prescriptions for moving the relationship forward.

<u>Issues & Insights Vol. 21, CR 3 — US-Taiwan</u> <u>Deterrence and Defense Dialogue: Dealing with</u> <u>Increased Chinese Aggressiveness</u> by Ralph A. Cossa

Taiwan needs much stronger friendships and more support, particularly from the United States, to counter Chinese moves and enhance deterrence of, and its defense potential against, Beijing. This is urgent because Taiwan no longer holds the qualitative advantage it once had over China's People's Liberation Army (PLA).

The United States supports a strong, resilient, and democratic Taiwan capable of maintaining its autonomy and ability to counter coercion and defend itself from any source, especially from China. Absent this, Washington's widely shared vision of a free and open Indo-Pacific would be permanently undermined.

It is clear, therefore, that the United States and Taiwan should step up their joint work and strengthen their security relationship, and it is critical that they do so expeditiously. At the same time, from a US perspective, it is important not to embolden Taipei or exceedingly raise its expectations about the US role to deter and defend against Beijing. While Washington has an interest in strengthening the island's deterrence and defense potential vis-à-vis Beijing, it also does not want to encourage Taipei to become belligerent toward Beijing. Engagement, therefore, involves striking a tough balance, and many topics to that effect remain difficult—and much too sensitive—to address and discuss at the official level, particularly when it comes to deterrence and defense questions.

To this end, the Pacific Forum, in partnership with the Defense Threat Reduction Agency (DTRA) and in cooperation with the Institute for National Defense and Security Research (INDSR), organized the inaugural Track 21 US-Taiwan Deterrence and Defense Dialogue. The dialogue aimed to: initiate a discussion between the United States and Taiwan on deterrence and defense, and produce actionable and operationally relevant recommendations for policy; and to build a community of senior and young, up-and-coming officials and strategists well-versed in these issues both in the United States and Taiwan.

## <u>Issues & Insights Vol. 21, WP14 — Imagined Currencies: How the DPRK Uses Cryptocurrency to Blunt Sanctions</u> by Michael Buckalew

This research provides a contemporary study of how and why the Democratic Peoples' Republic of Korea (DPRK) chose to integrate cryptocurrency into its sanctions evasion strategy, as well as the US government's response to this via its financial services regulatory and federal law enforcement agencies. The increased coverage and efficacy of US and international sanctions, especially during and since President Obama's second term (2013-2017) forced the DPRK to find new sources of revenue to maintain elite domestic support and fund their weapons programs. The creation and proliferation of cryptocurrency, which allows for both a digital store of value

and a means of exchange outside of the traditional international finance system, opened up an entirely new means by which the DPRK was able to obtain and move funds. Much the DPRK's cryptocurrency is obtained by the through the use of illicit methods and their success has blunted the impact of sanctions as a policy tool. As a result, US financial services regulators and law enforcement have moved to regulate cryptocurrency and crack down on illegal activities associated with it, such as ransomware payments. However, US regulations regarding cryptocurrency remain largely fragmented across agencies and various local jurisdictions.

<u>Issues & Insights Vol. 21, SR4 — The United States</u> <u>and Singapore: Indo-Pacific Partners</u> Edited by Jeffrey Ordaniel and Ariel Stenek

Authors of this volume participated in the inaugural U.S.-Singapore Next-Generation Leaders Initiative, sponsored by the U.S. Department of State, through the U.S. Embassy Singapore. With backgrounds from academia, public policy, civil society and industry, the cohort brings rich insights on the past, present, and future of the U.S.-Singapore relationship. Between September 2020 and August 2021, cohort members engaged with senior experts and practitioners as they developed research papers addressing various aspects of the bilateral relationship.

<u>Issues & Insights Vol. 21, WP15 — More Harm than</u> <u>Good: Why Chinese Sanctions over THAAD have</u> <u>Backfired</u> by Daniel Mitchum

In 2017 South Korean Moon Jae-in, in response to North Korean ballistics testing, adopted a resolution to implement the THAAD missile interceptor system. Beijing had long been opposed to the system and as a result initiated a series of unofficial, punitive economic sanctions against South Korea which covered a range of industries. However, Beijing's actions did little to alter Seoul's decisions and have instead damaged China-South Korea relations. A similar paradigm has since appeared within China-Australia relations. How nations respond and adapt to such tactics in the future is a question of critical importance.

<u>Issues & Insights Vol. 21, SR5 — Strategic Trade</u>
<u>Controls in Southeast Asia: A Pandemic Update</u>
Edited by Crystal Pryor and Ellise Fujii

The Pacific Forum, with support from the US State Department's Export Control and Related Border Security Program, held a virtual Seminar on Strategic Trade Controls in Southeast Asia on July 27-28, and August 5-6, 2020 via Zoom. Over 90 people from the Indo-Pacific region representing relevant government departments and ministries, private sector, industry associations, academia, and civil society organizations joined the seminar. Following the conference, several experts in attendance were invited to submit short analytical commentaries for compilation into this volume. Key themes from this conference, along with a summary of each paper contribution, are outlined below.

The seminar focused on four substantive topics: (1) the adoption of Strategic Trade Controls (STCs) for nonproliferation and internal security; (2) post-COVID-19 supply chains and trade facilitation; (3) ASEAN and STC; (4) the World Customs Organization, STC, and the exploration of maturity models. Following presentations and discussions on these topics, representatives from several Southeast Asian countries—Philippines, Malaysia, Singapore, Thailand, Vietnam, Cambodia, Laos, Myanmar, and Indonesia—offered updates on the adoption of STC in their respective jurisdictions.