



**TRILATERAL JAPAN-U.S.-ROK TRACK II CONFERENCE
JANUARY 24, 2005**

AT THE JAPAN INSTITUTE OF INTERNATIONAL AFFAIRS

CO-HOSTED BY

**THE JAPAN INSTITUTE OF INTERNATIONAL AFFAIRS (JIIA),
THE INTERNATIONAL POLICY STUDIES INSTITUTE OF KOREA (IPSIIKOR)
AND THE NATIONAL COMMITTEE ON AMERICAN FOREIGN POLICY (NCAFP)**

CONFERENCE REPORT

BY DONALD S. ZAGORIA

The NCAFP helped to organize a day-long trilateral Track II conference in Tokyo on January 24, 2005, with colleagues from Japan and South Korea. Participants included officials, former officials and scholars from the three countries (see attached participant list). Topics discussed were: Perspectives on China, Perspectives on North Korea, and U.S.-Japan, U.S.-ROK and Japan-ROK relations.

PERSPECTIVES ON CHINA

In the first session, the group discussed the three sides' perspectives on relations with China. An American participant said that the remarkable rise of China in the last 25 years is unprecedented in world history and is being felt all over the world. The rise of China has not been completely peaceful. China was involved in the Vietnam War; in the mid-90s, it made threats against Taiwan; and China continues to build up its armed forces. However, Beijing is not following the path of earlier powers that destabilized international relations. Power in China is now completely in the hands of civilians, with no military leaders among the nine members of the Standing Committee of the Chinese Communist Party (CCP). These leaders are not ideologues but serious, sober managers and problem solvers. China's leadership has defined economic growth as its top priority and a peaceful international environment as necessary to achieve such growth. To meet its goals, China has developed mutual economic interests with many powers, even with Taiwan.

China may be vulnerable to exaggerated ambitions, but this remains to be seen, continued the participant. It has always been ambivalent about the U.S. role in the Asia-Pacific region and this has not changed. China wants stable relations with the United States even though it does not like a unipolar world. However, rather than confronting the United States, China is using its diplomatic skills to lessen the U.S. role, especially in Asia.

The American participant concluded by saying that China is not a threat in the traditional military sense. It is conscious of its own weaknesses. Chinese scholars, he said, are scrambling to find ways to tell the leadership that China does not need to use force against Taiwan. The participant disclosed that on a recent visit to Beijing, a Chinese scholar said to the NCAFP – in a room filled with many other Chinese – that China had two core issues—Taiwan and economic development. The Chinese scholar noted that the second should not be sacrificed to the first and that force should be used only as a last resort.

A participant from South Korea said there are three images of China in Korea: 1. China as the source of Confucian tradition and a cultural kin; 2. China as a bully; and 3. a more sophisticated view of China as a giant neighbor that is always overbearing and therefore needing to be balanced.

More recently, the South Korean participant went on, China has managed to alienate 100% of the Korean people by its claim that the ancient Koguryo Dynasty was under Chinese sovereignty. In addition, there is the exchange rate issue. The Chinese *yuan* (RMB) is pegged to the dollar, and the Korean *won* has appreciated relative to the RMB and the dollar. This puts South Korean traders at a disadvantage to China. Yet China refuses to discuss this issue, let alone agree to raise the value of the RMB.

In sum, the South Korean participant argued that Koreans have a mixed view of China. South Koreans will probably not be able to trust China for a long time to come. But the problem is that Koreans do not trust Japan, another powerful neighbor, either. So, there is a sense of uncertainty as to where South Korea stands between China and Japan. This will be a challenge. What role should Korea play in the increasingly Sinic world of Northeast Asia? The key will lie in how the balance of power evolves.

A Japanese participant said there are four issues with China. He called them the four “T’s”—the textbook issue, Taiwan, theater missile defense (TMD) and the territorial issue. China is constantly telling Japan to be careful in how it handles these issues.

The Japanese participant said that Japan needs to adopt towards China a policy of the four “C’s”—cooperation, coordination, common interests and composure.

There was much discussion by several of the participants about the deteriorating state of Sino-Japanese relations and the rising nationalism in both countries. An American participant noted that the United States’ interest was in avoiding a conflict between China and Japan. However, there was no resolution as to how to improve Sino-Japanese relations.

PERSPECTIVES ON NORTH KOREA

The second session was dedicated to the three sides’ perspectives on the North Korean nuclear issue. A Japanese participant said the issue for Japan vis-à-vis North Korea is whether to engage it, while maintaining a strong deterrent capability along with the

United States and the Republic of Korea (ROK/South Korea), or to seek to overthrow it. Japan, he said, has a clear meeting of the minds with its partners that the engagement strategy is preferable. The basic North Korean interest, he went on, is survival. The Democratic People's Republic of Korea (DPRK/North Korea) employs various means to achieve this goal—including developing relations with the ROK and Europe, and developing nuclear weapons.

The Japanese participant believed that North Korea would not make a strategic decision to keep or to abandon its nuclear weapons program in the near future but that sooner or later it will have to make such a decision. The other five parties in the Six-Party Talks (i.e. China, Japan, Russia, South Korea, and the United States) should allow for a longer time frame and resolve the issues step-by-step. Also, the five parties should not make any hasty decisions about abandoning the Six-Party framework. There are no quick fixes to the North Korean nuclear issue. And, over the long term, the talks could evolve into a Northeast Asia security forum.

A South Korean participant said that North Korea is weighing its alternatives: returning to the Six-Party Talks versus continuing a policy of brinkmanship. Things are now at a critical juncture. The ROK participant advised the second Bush administration to be concrete and clear in its policies towards the DPRK and to present a more unified position than it did in its first term. He also called for greater pressure on China to get North Korea to return to the Six-Party Talks.

An American participant said he thought the U.S. would show greater flexibility in the future but would insist on concrete results.

Several of the participants pointed out that the real challenge in dealing with North Korea is the existence of serious differences among the other five parties. China thinks the U.S. does not properly understand North Korea's psychology or security concerns and that it should offer North Korea more carrots. China also believes that North Korea has a right to a peaceful nuclear program, while the U.S. thinks that any North Korean nuclear program will be for military purposes. China is also dubious as to whether or not North Korea possesses a uranium enrichment program. There are also important differences between the United States and South Korea. It is not clear that the ROK would support the U.S. in any effort to authorize U.N. sanctions against North Korea.

In sum, we must have a more united front among the five.

U.S.-ROK RELATIONS

In discussion of the third session topic on U.S.-ROK relations, a South Korean participant said that the U.S.-ROK alliance is now influenced by three new factors: 1. post Cold-War dynamics; 2. the reconciliation between North and South Korea; and, 3. the surge of nationalism in South Korea.

The end of the Cold War removed much of the threat from Russia and China, but differences exist between the United States and the South Korea over the level of the remaining threat. In South Korea, the left has steadily grown, and the country is now evenly divided between the left-wing “progressives” and the conservatives. This development coincides with a generational change in South Korea. Members of the younger generation tend to be “progressives” who believe that the authoritarian governments of the past promoted the old conservative elites and that it is now time for a change. But the divisions between progressives and conservatives in South Korea are so deep that the present government has great difficulty in working out a new direction for ROK foreign policy.

There is some reason to believe that anti-American sentiment in South Korea has reached a plateau and that the South Korean public is beginning to understand that a strong alliance with the U.S. gives South Korea clout in international politics that it otherwise would not have.

The South Korean participant offered three possible scenarios for the future. First, South Korea reaches a national consensus on the importance of maintaining the U.S.-ROK alliance under the circumstances of a rising China, a Japan that is increasing its military, a recovering Russia, and a U.S. that is adjusting to these new realities. Second, South Korea adopts a passive posture on the U.S.-ROK alliance, with South Korean conservatives unable to convince the ROK public of the merits of the Alliance and the progressives blaming the U.S. and their own government for South Korean submission towards the United States. The U.S. pursues a unilateral or insensitive course and South Korea comes to fear entanglement. Third, the left in South Korea whips up anti-American sentiment in the media, and the United States responds with such unilateral actions as increasing troop reductions or taking a much harsher approach toward North Korea.

According to the South Korean participant, there are two pitfalls to be avoided. For the ROK, it must avoid narrow-minded nationalism, emotionalism and sensationalist journalism. For the U.S., it must be more sensitive to Korean pride and avoid downgrading relations with the ROK because of other, higher priorities.

An American participant argued that from a broad historical perspective, Korea has always had three strategic alternatives— isolation, along the lines of the Hermit Kingdom of earlier centuries; maintaining a balance of power among its neighbors while having good relations with all of them; and seeking assistance from a distant, non-threatening power like the U.S. to maintain a balance of power. According to this American, South Korean President Roh Moo-hyun, like his predecessor, Kim Dae-jung, is seeking to combine the second and third alternatives of maintaining good relations with all of South Korea’s neighbors while maintaining the U.S.-ROK alliance.

A South Korean participant responded to this American analysis by arguing that in addition to the three options mentioned by the American, there is a fourth—submitting to one great power. He went on to say that the whole issue of a Korean grand strategy remains to be debated in South Korea and that there is an intense psychological yearning

for self-sufficiency. He concluded by saying that he is not optimistic about the future of U.S.-ROK relations and anyone who values the alliance must fight the extreme tendencies.

Another American participant argued that the root of the problem in U.S.-ROK relations is in the transition from the Clinton to the Bush administrations. Bill Clinton had built up a high level of trust with South Korea in his opening to North Korea, but President George W. Bush rejected Clinton's approach to North Korea, and he repudiated the ROK approach to North Korea. The Bush administration then acted as though the United States could have a North Korea policy that did not have the support of the ROK government. But, he added, alliances preclude unilateral actions that affect the vital interests of the ally. One cannot have a healthy alliance by proceeding unilaterally. The American said, an additional problem, is the future role of China. China may want to neutralize the Korean peninsula.

A South Korean participant responded to some of the pessimistic comments above by saying that South Koreans have reached the height of their anti-American sentiment. But it will be difficult to work out the terms of a new, post Cold-War alliance.

Many participants agreed that it is critically important for the U.S. and the ROK to have a strategic dialogue, but this process has not yet begun.

U.S.-JAPAN RELATIONS

Turning to the other U.S. bilateral alliance, the fourth session was on U.S.-Japan relations. A Japanese participant began by saying that the U.S.-Japan alliance has never been in better shape, but there are several caveats. First, there are generational problems. Second, it will be difficult to maintain common positions on Iraq, Afghanistan, etc., if the U.S. becomes more confrontational. Many Japanese are skeptical about the judgments and pronounced goals of the Bush Administration.

The Japanese participant went on to say that there are two issues concerning the future of the alliance—Japan's pursuit of an East Asian economic community and U.S. force transformation. On the first issue, many in Japan want closer economic relations with East Asia and there is no denying that China wants to use this East Asian community to increase its influence. The Japanese and Chinese differ, however, in their views on this issue. Japan wants to include the United States, while China does not. This could complicate the situation.

The second issue, U.S. force transformation, could present an opportunity to strengthen the alliance. There is a need for dialogue between Japan, the United States and other Asian countries on how to facilitate the transfer of U.S. forces. Japanese Prime Minister Junichiro Koizumi says he has two objectives: 1. to maintain deterrence, and, 2. to alleviate the burden on the United States.

An American participant said he agreed that the U.S.-Japan alliance is in good shape. The Japanese response to 9/11 was widely appreciated in the United States and many positive steps have been taken, including: progress on ballistic missile defense, the deployment of Japanese forces to Iraq, the expansion of the Japanese self-defense forces and discussion of a revision of Article 9 in the Japanese Constitution. The personal relations between President Bush and Prime Minister Koizumi are close, and there is a high level of trust. There are no longer tensions on trade and monetary issues because U.S. attention has shifted to China and Japan has disappeared as a target. Also, there is not currently much U.S. public interest in Japan. Japan is off the U.S. radar screen. Finally, the U.S.-Japan alliance was well managed during the first Bush administration by high officials in the U.S. government, e.g., Richard Armitage.

What could threaten the alliance? First, President Bush himself is not popular with the Japanese public. Second, there is a danger of the U.S. developing exaggerated expectations about the evolving Japanese military role and its potential for becoming the hub of U.S. regional forces. Third, differences exist over relations with third countries such as Iran and Burma. Fourth, the two countries have serious differences over Asian regionalism. East Asians want to strengthen their regional institutions and believe the United States should not oppose this, although no country in the Asia-Pacific region wants the U.S. excluded from the region. The Japanese, along with other East Asians, fear the U.S. will overreact on this issue. Fifth, relations between China and the U.S. or China and Japan could deteriorate. Japan's strategy is to balance growing economic relations with China and a close alliance with the U.S. This will be difficult to manage.

A Japanese participant said that Japan and the U.S. need to expand their dialogue. Currently, when officials from the two sides meet, they spend most of their time on North Korea. The two countries should also discuss other strategic issues such as Taiwan.

An American participant said he is concerned about the younger generations in the U.S. and Japan. Young Americans have limited interest in foreign policy in general and relations with Japan in particular. It is important, therefore, to try to bring the younger generation in to the dialogue.

A South Korean participant said that Koreans have a psychological problem with the U.S.-Japan alliance. They do not want to be subordinated to that alliance.

There was also much discussion on the U.S.-Japan-China triangular relationship. One American participant said that Japan's interest in a strong alliance with the U.S. will increase because of the rise of China. But the United States and Japan need to have a broad dialogue on regional as well as bilateral issues.

JAPAN-SOUTH KOREA RELATIONS

The final session was on Japan-South Korea relations. Views on the state of their relations were mixed. (This discussion took place before the recent flare-up of a territorial dispute.) A Japanese participant said that Japan's relations with South Korea are

improving because the two countries are overcoming their historical legacy, grass roots exchanges are increasing, and there is a growing positive image of South Korea in Japan. On the one hand, he said, many South Koreans still have a poor image of Japan. Also, Japan and the ROK are taking different approaches toward North Korea.

A Korean participant added that the improvement in Japanese relations with South Korea is real but shallow. Koreans are still obsessed with the past and with the Japanese occupation of Korea.

CONCLUSIONS

1. Each of the three allies is experiencing changes in its bilateral relations with the other two.
2. Regarding North Korea, there is an assumption that the Six Party Talks will resume in the near future but that they will be very difficult to resolve.
3. North Korea has strong reasons to want to push ahead in its economic relations with the outside world and to try to obtain security guarantees as well as economic and political rewards in return for dismantling its nuclear program. However, no one knows where North Korea stands on the nuclear issue—whether it is prepared to give them up or not.
4. China is a rising power and a strong force in East Asia and beyond. The question is whether the eminently technocratic and pragmatic Chinese leadership can keep Chinese nationalism under control on issues such as Taiwan.
5. The U.S. and the ROK will have a real problem in maintaining their alliance with an anti-American atmosphere developing in South Korea but the ROK leadership is strongly committed to the alliance. Work needs to be done at the grass roots level.
6. U.S.-Japan relations are good and the issues between the two countries are resolvable through dialogue but that dialogue must include all parts of society.
7. Japan-ROK relations are enormously complex. There is a certain improvement in relations but there is also increasing nationalism on both sides.

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